



**38<sup>th</sup>**

Otemachi Financial City North Tower

**Report on Operating and Management Results  
Thirty-Eighth Fiscal Period Semi-Annual Report  
July 1, 2020 – December 31, 2020**

**Japan Prime Realty Investment Corporation**

## Message to Our Unitholders



**Yoshihiro Jozaki**

Executive Officer  
Japan Prime Realty Investment Corporation

Dear Unitholders,

We at Japan Prime Realty Investment Corporation (JPR) would like to express our sincere gratitude for the continued loyal patronage you have extended to us.

We express our deepest condolences to those who have passed away because of the novel coronavirus (COVID-19) infection, and extend our heartfelt sympathies to those who have been stricken with the virus. Having settled the 38th fiscal period (July 1, 2020 – December 31, 2020), we would like to report on the performance results.

Since the summer of 2020, the Japanese economy had shown a pickup for some time, partly due to the government's policies like the "Go To" campaigns proving effective. Nevertheless, with the COVID-19 infection again spreading toward the end of the year and the government declaring the second state of emergency early in the new year, the outlook continues to be uncertain.

Under such circumstances, JPR conducted asset replacement by utilizing sponsor pipelines, in an effort to make its portfolio stronger. The properties owned by JPR also continued to operate at high occupancy. These helped us to record distribution per unit of ¥7,750 for the 38th fiscal period.

For the 39th fiscal period ending June 2021 and thereafter, the business environment is likely to remain unpredictable under the impact of COVID-19. In spite of this, JPR will continue its endeavors, together with Tokyo Realty Investment Management, Inc. (TRIM) to which it entrusts asset management, to realize our stable growth over the medium to long term while taking into account the governance of JPR as an investment corporation.

We ask you, our unitholders, to extend to us your continued consideration and support of our operations.

## Status of Distribution per Unit

### Determined Cash Distribution

38th fiscal period  
ended December 2020

**¥7,750**

### Forecast Cash Distribution (reference)

39th fiscal period  
ending June 2021

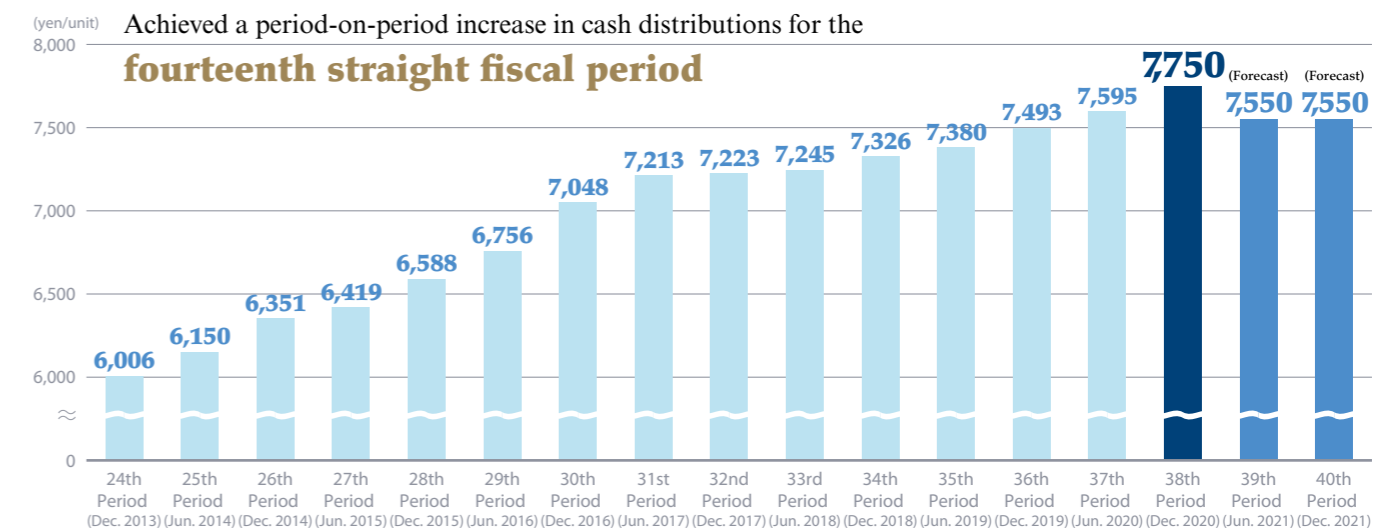
**¥7,550**

40th fiscal period  
ending December 2021

**¥7,550**

\*The operating forecasts are calculated based on certain assumptions, and the distribution per unit may vary depending on additional acquisition or sale of specified assets in the future, changes in the management environment and other factors. Moreover, the forecasts should not be construed as a guarantee of the amount of distribution per unit.

## Trends of Distribution per Unit



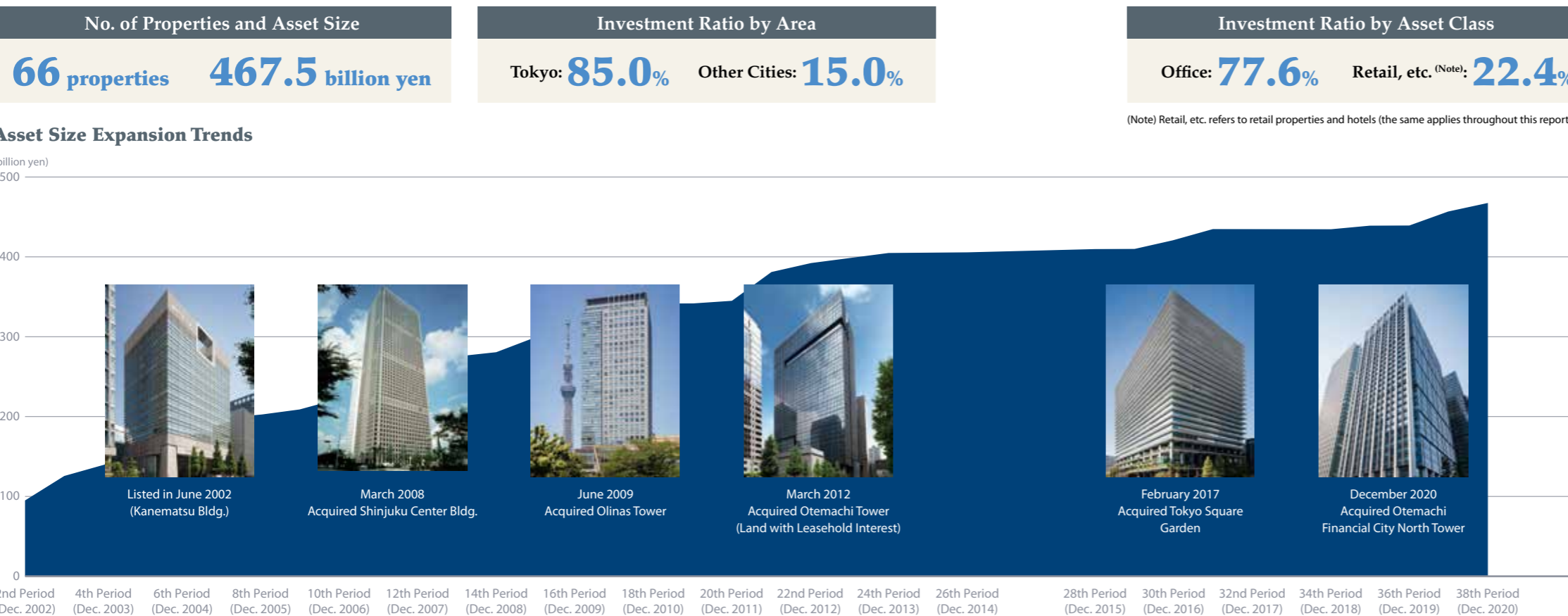
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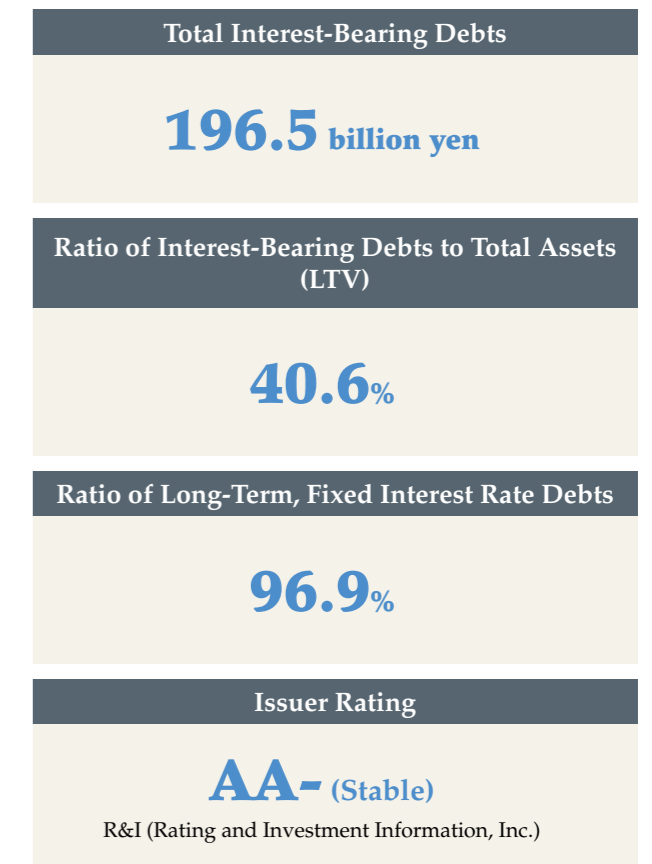
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## Account Highlights

### Portfolio



### Financial Status



### Operating Results

	37th Period ended Jun. 2020 Results	38th Period ended Dec. 2020 Results	Change	
			Change	Rate of change
Operating revenue (million yen)	16,363	<b>17,129</b>	+766	+4.7%
Profits for rent business (million yen)	8,927	<b>9,103</b>	+176	+2.0%
Operating income (million yen)	8,013	<b>8,533</b>	+519	+6.5%
Ordinary income (million yen)	7,277	<b>7,840</b>	+562	+7.7%
Net income (million yen)	7,276	<b>7,839</b>	+562	+7.7%
Distribution per unit (yen)	7,595	<b>7,750</b>	+155	+2.0%

**TOPIC 1**  
Operating revenue includes gain on sale of part of JPR Hakata Bldg.

**TOPIC 2**  
Increased ¥176 million period-on-period due to the properties acquired in the previous fiscal period contributing throughout the 38th fiscal period, although negatively impacted by the rent reductions granted for large tenants, etc.

**TOPIC 3**  
Gain on sale of property associated with property replacement has been internally reserved as reserve for reduction entry for the purpose of securing stable management and distributions in the future.

### Responses to Tenants upon State of Emergency Declaration

#### JPR's Responses

JPR has provided support for business continuity to the tenants who have suffered sales declines and other impacts resulting from the state of emergency declarations associated with the spread of the COVID-19 infection, comprehensively considering the requests from relevant government agencies and the impact on its future asset management.

#### Support Provided upon the State of Emergency Declared in 2020

- Granted tenant compensation in association with the closure of whole buildings at some retail properties
- Conducted payment moratorium and temporary reduction of rents, in consideration of the operational status of individual tenants, etc.
- The number of cases and amounts of temporary rent reductions are shown in the table below (for the 37th and 38th fiscal periods).

#### Support to Be Provided upon the State of Emergency Declared in 2021

- Plans to conduct temporary rent reductions mainly for restaurants and eateries.
- The estimated amount of temporary rent reductions is shown in the table below (for the 39th fiscal period ending June 2021).

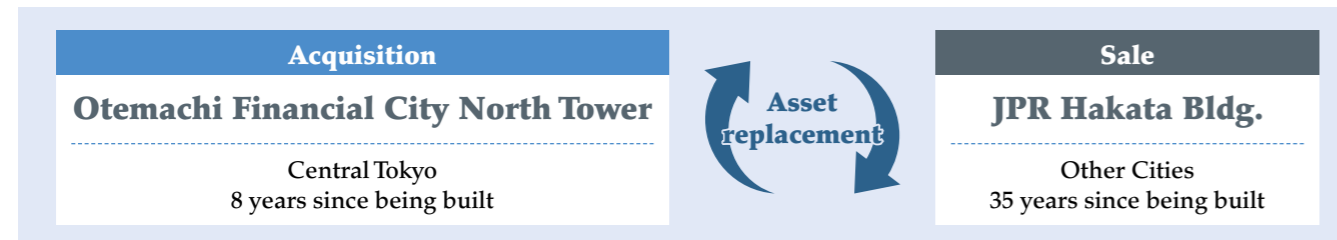
#### Grant of Temporary Rent Reductions

	37th Period (Jun. 2020)	38th Period (Dec. 2020)	39th Period (Jun. 2021) (estimate)
No. of cases	<b>61</b>	<b>43</b>	<b>Undetermined yet</b>
Total amount of reductions	<b>94 million yen</b>	<b>45 million yen</b>	<b>45 million yen</b>

## 38th Fiscal Period Topics

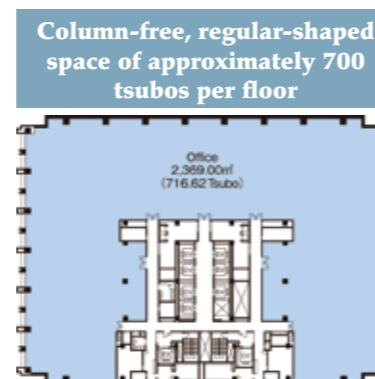
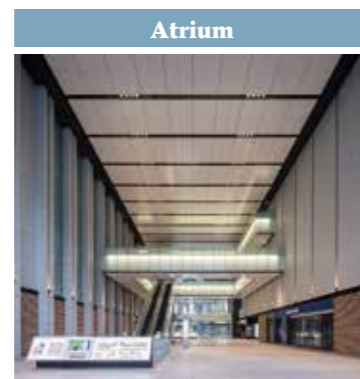
In an attempt to further improve the quality of its portfolio, JPR conducted asset replacement with Tokyo Tatemono, its main sponsor.

### Overview of Asset Replacement



### Acquisition Otemachi Financial City North Tower

A large-scale, high-rise office building featuring high scarcity value and located in the Otemachi area of Tokyo, one of the leading financial business districts in Japan



Location	Otemachi, Chiyoda-ku, Tokyo	
Acquisition Price	¥11,400 million	
Ownership interest	5.7%	
Acquisition Date	December 24, 2020	
Completed	October 1, 2012	
Site Area	15,838.93 m <sup>2</sup> (including South Tower)	
Total Floor Space	239,769.07 m <sup>2</sup> (including South Tower)	
Seller	Tokyo Tatemono Co., Ltd.	

### Sale JPR Hakata Bldg.



Location	Hakataekimae, Hakata-ku, Fukuoka-shi, Fukuoka	
Buyer	Tokyo Tatemono Co., Ltd.	
Completed	June 26, 1985	

	Sale ① (35.0%)	Sale ② (65.0%)
Sale Date <sup>(Note)</sup>	December 24, 2020	March 29, 2021
Sale Price <sup>(Note)</sup>	¥1,435 million	¥2,665 million
Gain on Sale	¥414 million	¥784 million (planned)

(Note) The sale date and sale price are based on data recorded in the trust beneficiary interest transfer contract.

## Internal Growth Strategy

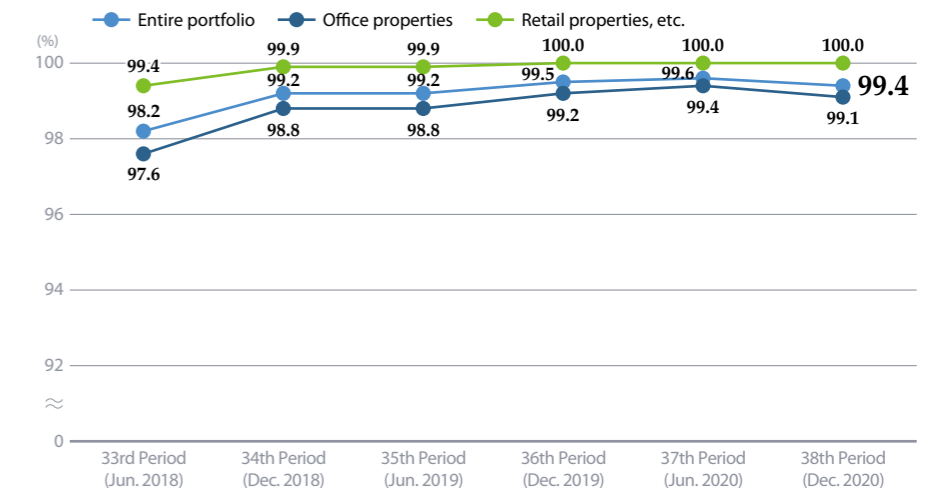
JPR has achieved internal growth through an increase in rents while maintaining the occupancy rate at a high level, with its measures including flexible use of target rents proving effective.

### Major Reinforcement Strategies

- 1. Flexibly use target rents**  
JPR conducts leasing by setting target rents, to be used upon concluding new contracts or renewing existing contracts for respective properties, for each fiscal period in accordance with the market trends.
- 2. Reinforce investments for value enhancement**  
JPR works to raise rents for new contracts and reinforce property competitiveness by investing in interior fittings and facilities, etc. that meet tenant needs.
- 3. Continuously enhance tenant satisfaction**  
Deliberately responding to tenants and creating safe and secured environments are important initiatives that positively affect rent negotiations as well as help prevent contract cancellations from happening.

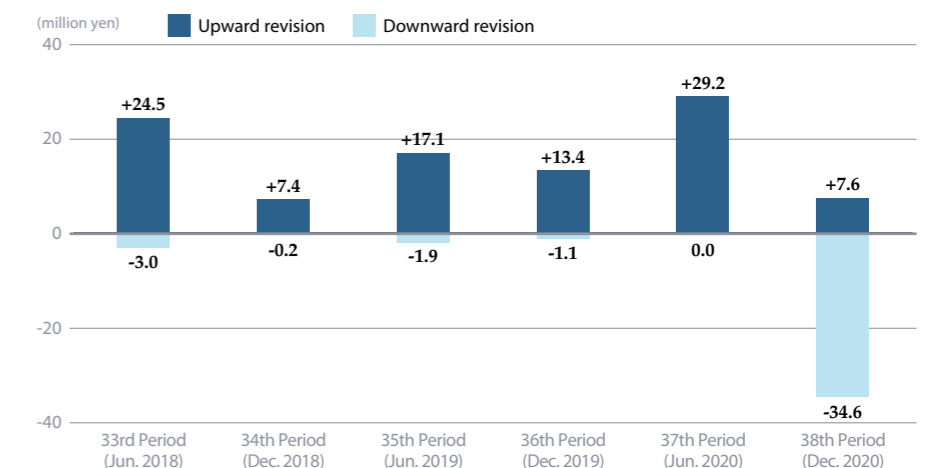
### Average Occupancy Rate

The average occupancy rate of the portfolio (period average of occupancy rates at end of months) remained at a high level, with the figure reaching the 99% level for the 38th fiscal period.



### Changes in Revised Amount of Monthly Rent, Etc.

The trend of upward revision of rents continued through the 38th fiscal period, although rent reductions were granted for certain large tenants.



## External Growth Strategy

JPR is resolved to continuously work on investments focused on office properties in Tokyo in order to enhance its growth potential over the long term, while conducting vigorously selective investments in office properties in regional cities as well as retail properties, etc. to enhance the stability of earnings.

### Basic Strategy

#### 1. Focused investments in office properties in Tokyo

Improve the quality of the portfolio by making investments focused on office properties in Tokyo that are expected to contribute to long-term growth

Compared with other regional cities, Tokyo allows expectations for more stable occupancy and higher rent levels. Looking ahead, JPR will continue to make investments focused on office properties in Tokyo, with an aim to further improve the quality of its portfolio and enhance its growth potential over a long term.

#### 2. Vigorously selective investments in office properties in regional cities as well as retail properties, etc.

For office properties in regional cities as well as retail properties, etc., work to invest in strictly selected blue-chip properties that can keep stable revenues at a certain level

While securing growth potential by making focused investments in office properties in Tokyo, JPR will make vigorously selective investments in large office properties in regional cities having a high competitive advantage in the areas and in urban retail properties, etc. with long-term, fixed-rent contracts, in order to complement the stability of earnings from the entire portfolio.

## Cases in which JPR Acquired Properties by Utilizing Sponsor Pipelines

JPR has displayed its strength of having sponsors comprised of real estate developers, a general contractor and financial institutions in acquiring blue-chip properties.



### Utilization of Sponsor Pipelines

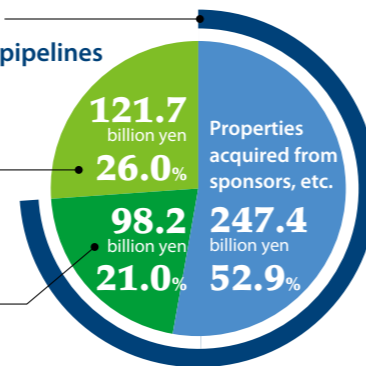
At JPR, properties acquired from its sponsors, etc. (52.9%) and properties acquired based on the information provided by the sponsors (21.0%) together constitute 74.0% of the entire portfolio (on an acquisition price basis). Going forward, JPR will continue to utilize the sponsor pipelines in an endeavor to enhance the quality of the portfolio through vigorously selective investments in blue-chip properties and strategic asset replacement.

#### Properties acquired by utilizing sponsor pipelines

74.0%

#### Properties acquired from third parties

#### Properties acquired based on information provided by sponsors



\*Based on the status at the time when respective properties were acquired.

## Financial Strategy

By controlling the ratio of interest-bearing debts in a conservative manner and making endeavors to lengthen the maturity of procured debts and diversify repayment dates, JPR has maintained a stable and strong financial base that should allow it to respond to future changes in the financial environment.

### Financial Status

JPR has maintained its conservative leverage control policy, in which it targets to keep the ratio of interest-bearing debts to total assets largely at up to 50%, and secured a stable fund procurement base with the ratio of long-term, fixed interest rate debts at 95% or more.

#### Major Financial Indicators (at end of the 38th fiscal period)

Ratio of Interest-Bearing Debts to Total Assets (LTV)	40.6%
Ratio of Long-Term, Fixed Interest Rate Debts	96.9%

#### Status of Corporate Credit Ratings Assigned to JPR

R&I (Rating and Investment Information, Inc.)	AA- (Stable)
S&P (S&P Global Ratings Japan Inc.)	Long-term: A (Stable) Short-term: A-1

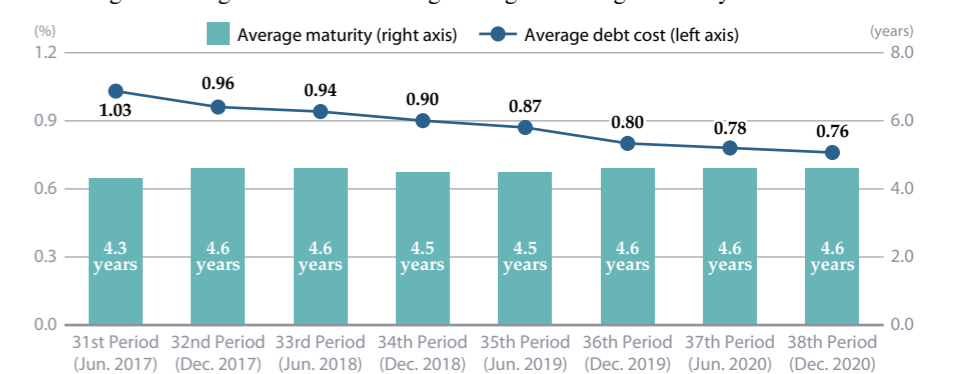
## Financing Status for the 38th Fiscal Period

JPR has successfully reduced debt cost while placing emphasis on lengthening the maturity of procured debts and diversifying the repayment dates.

#### Comparison of Debts Matured and New Debts Procured in the 38th Period

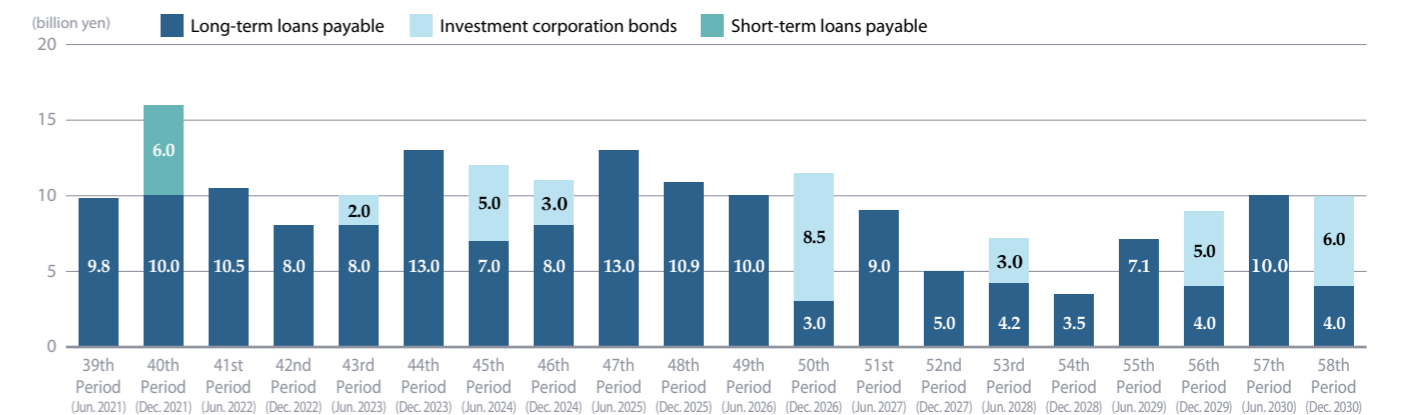
Average maturity (excluding short-term loans payable)	6.8 years > 9.2 years (up 2.4 years)
Average debt cost (excluding short-term loans payable)	0.96% > 0.54% (down 0.41 percentage points)

#### Average Maturity of the Entire Interest-Bearing Debts and Average Debt Cost



## Diversification of Repayment Dates for Interest-Bearing Debts

JPR has endeavored to mitigate refinance risks by diversifying repayment dates while establishing a commitment line with a credit limit of 24 billion yen.



## Initiatives on Sustainability

For JPR to grow stably over the medium to long term, it is essential to address such social requirements as considerations to the environment, society and governance. JPR will continue its endeavors to enhance sustainability, including its initiatives for environmental friendliness.

### Sustainability Policy

Based on its corporate philosophy of working with integrity and responsibility, TRIM is resolved to contribute to the sustainable development of the society and the investment management business through discussion and cooperation with its stakeholders (including investors and tenants), and aims to maximize value for JPR's unitholders.

#### 1. Initiatives on Behalf of Tenants

Respond to tenants with integrity and responsibility, and endeavor to provide them with new and distinct value as well as enhance their satisfaction.

#### 2. Initiatives on Behalf of the Environment

Aim to reduce environmental footprint through managing the assets JPR owns, in recognition of the importance of addressing environmental issues.

- Promote energy saving and reduction of greenhouse gas emissions.
- Work on effective use of water resources and promote "3Rs" (reuse, reduce and recycle) of waste.
- Strive to proactively disclose information on environmental issues.

#### 3. Initiatives on Behalf of Local Communities

Work to coordinate with local communities through managing the assets JPR owns in the area, in an effort to contribute to enhancing the brand value of the entire area.

#### 4. Initiatives on Behalf of Employees

Respect each one of the employees and promote realization of a pleasant work environment by helping them enhance their professional expertise.

#### 5. Initiatives on Behalf of the Society

Abide by laws and regulations as well as rules of the society and, with a high ethical perspective, focus on transparency and objectivity in conducting business.

### Materialities for JPR and TRIM

Based on its corporate philosophy, TRIM has identified important agendas (materialities) it should work on, as described below, and also established its strategies and goals for 2030. TRIM will promote its initiatives for attaining the goals in an endeavor to contribute to the Sustainable Development Goals (SDGs).

Materialities	Strategies	Goals for 2030	SDGs
Portfolio greening	<ul style="list-style-type: none"> <li>• Raise the ratio of properties that have acquired green certifications</li> <li>• Improve the environmental ratings of properties</li> </ul>	<ul style="list-style-type: none"> <li>• Ratio of properties with green certifications at 80% or more</li> <li>• Improving the ratio of properties with ratings better than standard evaluations</li> </ul>	
Addressing climate change	<ul style="list-style-type: none"> <li>• Reduction of CO<sub>2</sub> emissions</li> <li>• Efficient use of water resources</li> <li>• Strengthen management of climate change risks</li> <li>• Work with tenants to address climate change</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce CO<sub>2</sub> emissions intensity by 30% (compared with the 2017 level)</li> <li>• Reduce water use intensity by 10%</li> <li>• Build an industry-leading, strong structure to manage climate change risks</li> <li>• Expand green lease agreements</li> </ul>	
Improving tenant satisfaction through safety, security and comfort	<ul style="list-style-type: none"> <li>• Improve tenant satisfaction by providing services, both in terms of products and operational know-how, for safety, security and comfort</li> </ul>	<ul style="list-style-type: none"> <li>• Improve tenant satisfaction in comprehensive aspects including safety, security and comfort</li> </ul>	
Creating an encouraging and rewarding workplace environment	<ul style="list-style-type: none"> <li>• Strengthen human resources by supporting self-development and providing training</li> <li>• Build a highly efficient operational structure</li> <li>• Maintain and improve physical and mental health</li> <li>• Provide an encouraging and rewarding workplace environment</li> </ul>	<ul style="list-style-type: none"> <li>• Foster professionals who serve to bolster corporate growth</li> <li>• Enhance operational efficiency and improve operational processes</li> <li>• Secure physical and mental health and achieve work-life balance</li> <li>• Provide an environment where each person can fully exert his or her abilities</li> </ul>	

Materialities	Strategies	Goals for 2030	SDGs
Sophisticating corporate governance	<ul style="list-style-type: none"> <li>• Conduct highly transparent operations through proactive IR</li> <li>• Enhance overall strengths of the ESG promotion structure</li> <li>• Secure a strong corporate governance system</li> <li>• Reinforce the risk management structure</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure information disclosure at a level among the highest in the industry</li> <li>• Proactively discuss with investors</li> <li>• Promote discussions with individual investors</li> <li>• Obtain ESG assessments that are among the highest in the industry</li> <li>• Maintain a strong corporate governance system</li> <li>• Secure a risk management structure that is among the strongest in the industry</li> </ul>	

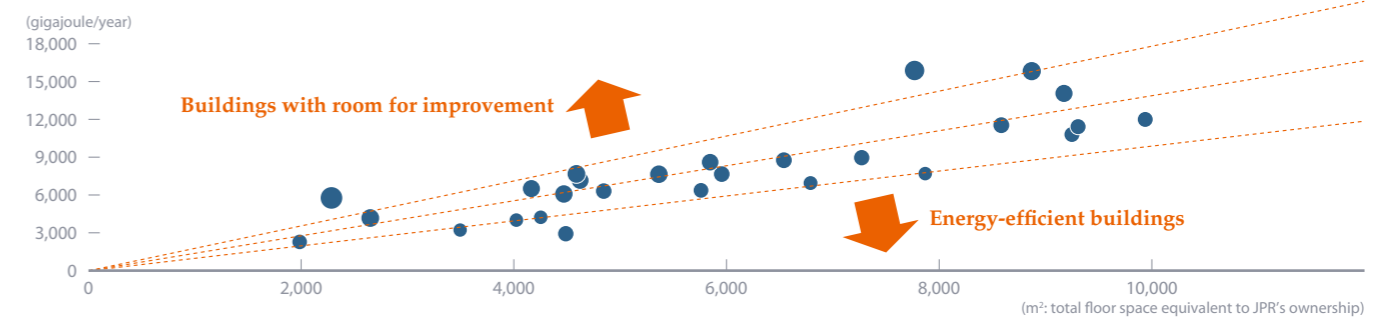
### Initiatives on Environmental Friendliness

Recognizing the importance of addressing environmental issues for real estate investment management, JPR strives to reduce its environmental footprint by upgrading facilities and improving operation at the properties it owns. It also endeavors to conduct eco-friendly management by giving consideration to the comfort of facility users and biodiversity.

#### Monitoring of CO<sub>2</sub> Emissions

JPR monitors CO<sub>2</sub> emissions of each of its properties in order to effectively reduce the environmental footprint. Moreover, it has established a benchmark for the entire portfolio to measure the relative performances of respective properties. This enables JPR to identify properties having much room for improvement. By doing so, JPR has prepared measures to effectively reduce CO<sub>2</sub> emissions of its entire portfolio, and systematically implements works for better energy efficiency while analyzing the effectiveness and expenses of CO<sub>2</sub> emissions.

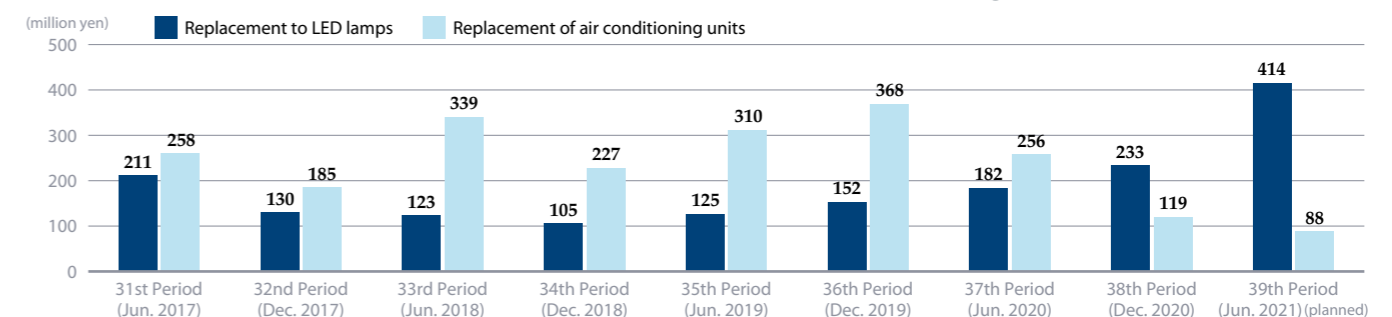
Comparison of Energy Consumption Data by Property (for offices with total floor space of less than 10,000 m<sup>2</sup>)



#### Promotion of Works for Reducing Environmental Footprint

Refurbishment to highly energy-efficient facilities is essential for reducing environmental footprint. JPR has established long-term work plans for each of its properties, and adopts facilities that effectively reduce environmental footprint.

Trends of Works on LED Lamps and Air-Conditioning Units



#### New Acquisition of CDP Score

CDP is an international not-for-profit organization that has conducted surveys on the countermeasures against global warming by listed companies since 2003, supported by institutional investors worldwide.

CDP assesses companies' responses to the climate change issues in terms of such items as greenhouse gas emissions and business risks and opportunities due to climate change.

The assessment is granted in 9 ranks of A, A-, B, B-, C, C-, D, D- and F.

In 2020, JPR obtained the B score of the CDP Climate Change Program.

#### SUSTAINABILITY COLUMN



# Initiatives on Sustainability

## Initiatives on Social Awareness

JPR and TRIM, the Asset Manager, have relationships with a variety of stakeholders that include, on top of the unitholders, the lenders, tenants, local communities, property management companies and the employees of TRIM. We are resolved to conduct business with a strong sense of integrity and responsibility, in order to build a good relationship with the stakeholders over a long term.

### Enhancing Safety and Security

JPR and TRIM believes that it is their most important responsibilities to secure safety of its tenants and users and provide facilities and services that they can utilize at ease.

Continuous and thorough endeavors are required to provide safety, security and high-quality services. Accordingly, we utilize the know-how fostered by the sponsors and work on business operations by putting safety first.

#### 1. Continuous implementation of disaster drills

Periodical drills are conducted, together with employee education, so that natural disasters and other contingent events can be dealt with appropriately. In 2020, endeavors were made to reinforce resilience in consideration of such major disasters as flooding.



Portfolio hazard map

#### 2. Installation and enhancement of emergency supplies

Prior preparations are indispensable to protect the safety of employees and tenants when disasters occur. In 2020, simple generators for emergency were installed with an eye on the importance of charging batteries of smartphones and other devices.



Magnesium air battery for emergency

## Initiatives on Governance

In the belief that it is essential to secure sound and efficient operations of JPR in order to realize its continuous growth, consistent efforts have been made to reinforce and sustain corporate governance of JPR and TRIM, the Asset Manager.

### Decision Making Based on Stringent Processes

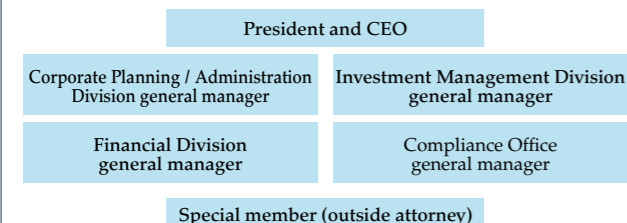
- Upon making decisions on property acquisitions, asset management and other issues, TRIM conducts stringent screening and takes other procedures from various perspectives through designated committees and other institutions.
- In particular, material transaction matters conducted with the sponsors, etc. are screened and verified by the Compliance Committee as to their adequacy and rationality. The Committee employs a unanimous vote for approvals in principle.
- An outside attorney has been appointed as a special member of the Compliance Committee.

#### Stringent Decision-Making Process (for property acquisitions)



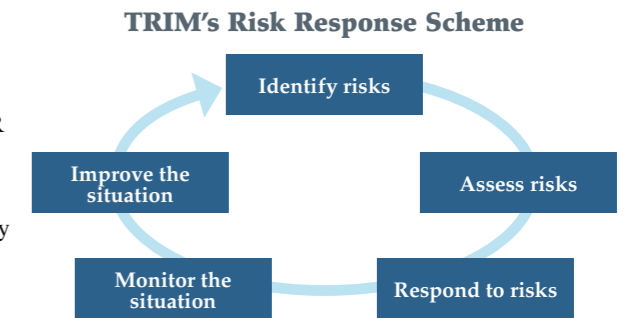
In addition to the processes indicated in the above chart, there may be cases where approval by the Board of Directors and consent by JPR are required as designated in the Act on Investment Trusts and Investment Corporations.

#### Members of the Compliance Committee of TRIM



## Risk Management

- JPR and TRIM has established an effective risk management system, and endeavor to avoid occurrence of risks related to investment management and address risks in case they occur.
- In order to enhance and reinforce risk management activities, JPR and TRIM continuously work to identify, assess and respond to risks and monitor and improve the situation.
- In conducting information management, TRIM implements safety measures against various threats and has prepared contingency plans to prepare for failures, etc.



## Recognition by External Bodies

JPR is endeavoring to enhance energy use efficiency and safety and convenience of users from the perspective of environmental awareness that is increasingly heightened socially. As part of such endeavors, JPR is promoting acquisition of recognitions from external assessment bodies in order to objectively monitor the environmental performance of its owned properties.

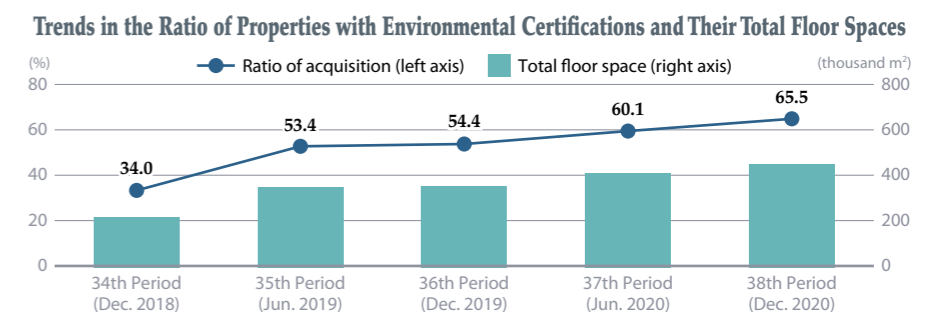
### Acquisition of GRESB Real Estate Assessment

GRESB is a benchmarking assessment to measure ESG awareness of real estate companies and funds, as well as the name of organization which runs the assessment system. Of the survey subjects, GRESB Real Estate Assessment covers real estate companies and funds that are mainly engaged in managing existing properties. JPR was designated as "Green Star" for the seventh consecutive year in the 2020 GRESB Real Estate Assessment. JPR was also granted the highest rank of "5 Stars" in the GRESB Rating, which makes relative assessments in five ranks based on total scores, for the second consecutive year.



### Status of Acquisition of Environmental Certifications

As part of the measures to enhance the quality of its portfolio, JPR works to obtain sustainability certifications. JPR will promote building of a portfolio that has smaller environmental footprint and higher sustainability, aiming to achieve its goal of 80% for the ratio of properties having acquired environmental certifications by 2030.



#### Assessment in CASBEE for Building Certification



CASBEE, which stands for Comprehensive Assessment System for Built Environment Efficiency, is a system for comprehensively assessing the environmental performance of buildings. Efforts to develop and popularize the system in Japan are being made under the leadership of the Ministry of Land, Infrastructure, Transport and Tourism. The system comprehensively assesses the environmental quality of buildings, including indoor comfort and consideration for the landscape, on top of the aspect of environmental consideration such as energy saving and the use of materials and equipment with a lower environmental burden.

#### DBJ Green Building Certification



The DBJ Green Building Certification is a certification system to select superior real estate that meets the demand of the times by scoring buildings based on the scoring model originally developed by Development Bank of Japan Inc. (DBJ). Its purpose is to promote properties that are environmentally friendly, equipped to mitigate disaster and prevent crime, as well as meet the social requirements surrounding real estate from various stakeholders ("Green Buildings"). The assessment results are indicated in five ranks.

#### BELS Certification



BELS is an abbreviation for Building-Housing Energy-efficiency Labeling System. It is a performance labeling system created for the purpose that a third-party organization accurately conducts the evaluation and indication of energy efficiency performance of non-residential buildings in accordance with the Assessment Guidelines on Energy Efficiency Performance of Non-residential Buildings (2013) established by the Ministry of Land, Infrastructure, Transport and Tourism. Third-party organizations assess energy-saving performance, etc. based on a variety of measurement criteria, indicating the results by the number of stars (★ to ★★★★★).

\*The number of properties with environmental certifications is as of December 31, 2020.

## Portfolio Status

### Portfolio Management Standards

Upon listing, JPR had portfolio management standards that set a target investment ratio by area of roughly 60% for Tokyo versus 40% for Other Cities and a target investment ratio by asset class of roughly 80% for office properties versus 20% for retail properties, etc. In the 16th fiscal period ended December 2009, however, JPR changed the standards as follows with a policy of focusing investments in office properties in Tokyo.

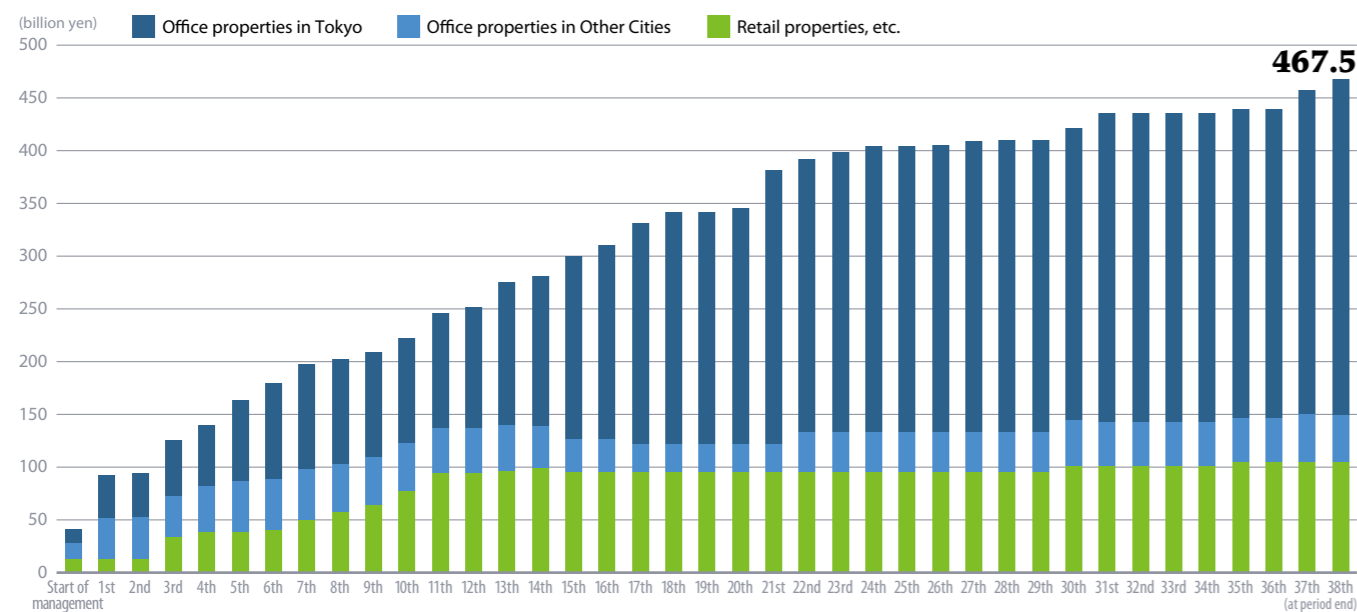
#### Target investment ratio by area

**Tokyo: 80 - 90%**  
**Other Cities: 20 - 10%**

#### Target investment ratio by asset class

**Office: 70 - 90%**  
**Retail, etc.: 30 - 10%**

### Asset Size Expansion Trends





## Overview of Portfolio Properties

### List of Properties (66 Properties for the Entire Portfolio)

#### Central Tokyo (32 Properties)

	Property Number	Property Name	Location	Acquisition Date	Acquisition Price (in millions)	Percentage of Portfolio Acquisition Price (%)	Leasable Floor Space (m <sup>2</sup> )	PML (%)
Office	A-1	Kanematsu Bldg.	Chuo-ku, Tokyo	Dec. 27, 2001	¥16,276	3.5	8,090.42	3.9
	A-2	Kanematsu Bldg. Annex	Chuo-ku, Tokyo	Dec. 27, 2001	2,874	0.6	2,291.13	5.8
	A-3	JPR Ningyo-cho Bldg.	Chuo-ku, Tokyo	Nov. 16, 2001	2,100	0.4	2,802.22	3.7
	A-4	Shin-Kojimachi Bldg.	Chiyoda-ku, Tokyo	Nov. 16, 2001	1,670	0.4	3,319.37	4.4
				Nov. 21, 2002	550	0.1		
				Nov. 12, 2004	200	0.0		
				Total	2,420	0.5		
	A-5	JPR Crest Takebashi Bldg.	Chiyoda-ku, Tokyo	Jun. 21, 2002	4,000	0.9	3,265.34	7.8
	A-6	MS Shibaura Bldg.	Minato-ku, Tokyo	Mar. 28, 2003	11,200	2.4	14,468.38	6.8
	A-7	Gotanda First Bldg.	Shinagawa-ku, Tokyo	Jul. 23, 2003	2,920	0.6	4,241.22	7.3
	A-9	JPR Ichigaya Bldg.	Chiyoda-ku, Tokyo	May 28, 2004	5,100	1.1	4,240.37	4.9
	A-10	Oval Court Ohsaki Mark West	Shinagawa-ku, Tokyo	Jun. 1, 2004	3,500	0.7	4,088.44	3.5
	A-11	Shinjuku Square Tower	Shinjuku-ku, Tokyo	Jul. 2, 2004	10,000	2.1	19,266.38	1.3
				Sep. 26, 2008	180	0.0		
				Mar. 25, 2015	4,000	0.9		
				Oct. 21, 2015	786	0.2		
	Total	14,966	3.2					
	A-12	BYGS Shinjuku Bldg.	Shinjuku-ku, Tokyo	Nov. 9, 2004	2,900	0.6	15,227.80	3.1
				Apr. 12, 2005	8,921	1.9		
				Jul. 13, 2010	3,300	0.7		
	Total	15,121	3.2					
	A-13	Across Shinkawa Bldg. Annex	Chuo-ku, Tokyo	Nov. 26, 2004	710	0.2	1,253.39	4.7
	A-14	Shinjuku Center Bldg.	Shinjuku-ku, Tokyo	Mar. 27, 2008	21,000	4.5	8,865.71	1.3
	A-15	Minami Azabu Bldg.	Minato-ku, Tokyo	Jul. 14, 2008	3,760	0.8	3,405.73	6.0
	A-16	Shinagawa Canal Bldg.	Minato-ku, Tokyo	Dec. 19, 2008	1,870	0.4	1,870.50	5.3
				Mar. 8, 2019	171	0.0		
	Total				2,041	0.4		
	A-17	Rokubancho Bldg.	Chiyoda-ku, Tokyo	Dec. 2, 2009	2,800	0.6	2,488.36	7.7
	A-18	JPR Harajuku Bldg.	Shibuya-ku, Tokyo	Dec. 25, 2009	8,400	1.8	4,761.51	6.8
	A-20	JPR Nihonbashi-horidome Bldg.	Chuo-ku, Tokyo	Mar. 31, 2010	5,100	1.1	5,299.88	5.0
	A-21	JPR Sendagaya Bldg.	Shibuya-ku, Tokyo	May 31, 2010	15,050	3.2	6,177.74	2.6
	A-22	Ginza Sanwa Bldg.	Chuo-ku, Tokyo	Aug. 29, 2011	3,400	0.7	1,896.69	4.5
A-23	The Otemachi Tower (Land with Leasehold Interest)	Chiyoda-ku, Tokyo	Mar. 13, 2012	36,000	7.7	11,034.78	—	
A-24	Science Plaza – Yonbancho Plaza	Chiyoda-ku, Tokyo	Dec. 6, 2013	2,660	0.6	3,325.29	3.1	
A-25	Shibadai Center Bldg.	Minato-ku, Tokyo	Dec. 6, 2013	3,420	0.7	5,401.46	5.6	
			Jul. 30, 2014	800	0.2			
Total				4,220	0.9			
A-26	Tokyo Square Garden	Chuo-ku, Tokyo	Feb. 1, 2017	9,200	2.0	5,971.73	2.6	
			Apr. 4, 2017	9,200	2.0			
Total				18,400	3.9			
A-27	JPR Kojimachi Bldg.	Chiyoda-ku, Tokyo	Jun. 27, 2019	5,750	1.2	3,493.67	3.3	
A-28	Otemachi Financial City North Tower	Chiyoda-ku, Tokyo	Dec. 24, 2020	11,400	2.4	4,191.96	2.0	
Retail, etc.	A-1	JPR Shibuya Tower Records Bldg.	Shibuya-ku, Tokyo	Jun. 30, 2003	12,000	2.6	8,076.85	5.8
	A-3	JPR Jingumae 432	Shibuya-ku, Tokyo	Mar. 24, 2006	4,275	0.9	1,027.33	5.4
	A-4	Shinjuku Sanhome East Bldg.	Shinjuku-ku, Tokyo	Mar. 14, 2007	540	0.1	2,347.81	1.6
				Apr. 24, 2008	2,200	0.5		
	Total				2,740	0.6		
	A-5	Yurakucho Ekimae Bldg. (Yurakucho Itocia)	Chiyoda-ku, Tokyo	Aug. 27, 2008	3,400	0.7	1,101.92	3.0
	A-6	JPR Ginza Namiki-dori Bldg.	Chuo-ku, Tokyo	Dec. 15, 2016	10,100	2.2	1,665.79	6.8
A-7	FUNDES Suidobashi	Chiyoda-ku, Tokyo	Dec. 15, 2016	3,250	0.7	1,367.56	6.5	
Subtotal					¥256,933	55.0	166,326.73	—

#### Greater Tokyo (19 Properties)

	Property Number	Property Name	Location	Acquisition Date	Acquisition Price (in millions)	Percentage of Portfolio Acquisition Price (%)	Leasable Floor Space (m <sup>2</sup> )	PML (%)
Office	B-1	Arca East	Sumida-ku, Tokyo	Nov. 16, 2001	¥5,880	1.3	7,022.76	3.2
	B-2	JPR Chiba Bldg.	Chiba, Chiba	Dec. 13, 2001	2,350	0.5	5,540.91	3.9
	B-3	JPR Yokohama Nihon Odori Bldg.	Yokohama, Kanagawa	Nov. 16, 2001	2,927	0.6	6,079.74	6.7
				Sep. 25, 2002	920	0.2		
	B-5	Shinyokohama 2nd Center Bldg.	Yokohama, Kanagawa	Mar. 28, 2013	570	0.1	5,284.75	10.5
				Total	1,490	0.3		
	B-6	Kawaguchi Center Bldg.	Kawaguchi, Saitama	Feb. 13, 2004	8,100	1.7	15,503.27	6.8
	B-7	JPR Ueno East Bldg.	Taito-ku, Tokyo	Mar. 1, 2004	3,250	0.7	6,454.84	3.9
				Sep. 30, 2005	888	0.2		
	B-8	Tachikawa Business Center Bldg.	Tachikawa, Tokyo	Feb. 28, 2007	2,300	0.5	4,588.89	4.1
				Total	3,188	0.7		
	B-9	Rise Arena Bldg.	Toshima-ku, Tokyo	Mar. 22, 2007	5,831	1.2	6,023.39	1.3
	B-10	Yume-ooka Office Tower	Yokohama, Kanagawa	Jul. 10, 2007	6,510	1.4	11,998.77	3.4
	B-11	Olinas Tower	Sumida-ku, Tokyo	Jun. 29, 2009	31,300	6.7	23,987.40	2.4
B-12	JPR Yokohama Bldg. (Note 4)	Yokohama, Kanagawa	Dec. 27, 2010	7,000	1.5	6,493.99	5.2	
B-13	Omiya Prime East	Saitama, Saitama	Mar. 22, 2013	6,090	1.3	6,871.45	2.4	
B-14	Sencity Bldg.	Chiba, Chiba	Mar. 27, 2020	13,870	3.0	13,271.20	2.4	
Retail, etc.	B-1	Tanashi ASTA	Nishitokyo, Tokyo	Nov. 16, 2001	10,200	2.2	31,121.71	3.5
	B-3	Cupo-la Main Bldg.	Kawaguchi, Saitama	Mar. 31, 2006	2,100	0.4	5,963.00	8.1
	B-4	JPR Musashikosugi Bldg.	Kawasaki, Kanagawa	Sep. 28, 2006	7,254	1.6	19,740.95	4.5
	B-5	Musashiurawa Shopping Square	Saitama, Saitama	Mar. 19, 2007	4,335	0.9	14,960.69	7.1
B-6	Kawasaki Dice Bldg.	Kawasaki, Kanagawa	Apr. 12, 2007	15,080	3.2	12,106.71	5.9	
B-7	FUNDES Ueno	Taito-ku, Tokyo	Jun. 27, 2019	3,800	0.8	1,989.66	4.3	
Subtotal					¥140,555	30.1	205,004.08	—

#### Other Cities (15 Properties)

	Property Number	Property Name	Location	Acquisition Date	Acquisition Price (in millions)	Percentage of Portfolio Acquisition Price (%)	Leasable Floor Space (m <sup>2</sup> )	PML (%)
Office	C-1	Niigata Ekinan Center Bldg.	Niigata, Niigata	Nov. 16, 2001	¥2,140	0.5	5,327.50	1.7
	C-4	Tokyo Tatemono Honmachi Bldg.	Osaka, Osaka	Nov. 16, 2001	4,150	0.9	7,132.22	4.3
	C-7	JPR Hakata Bldg. (Note 5)	Fukuoka, Fukuoka	Nov. 16, 2001	1,885	0.4	4,278.67	0.5
	C-9	JPR Naha Bldg.	Naha, Okinawa	Nov. 16, 2001	1,560	0.3	3,945.18	5.7
	C-12	Sompo Japan Sendai Bldg.	Sendai, Miyagi	Jun. 26, 2002	3,150	0.7	7,129.14	2.0
	C-13	Sompo Japan Wakayama Bldg.	Wakayama, Wakayama	Jun. 26, 2002	1,670	0.4	4,876.35	10.6
	C-14	Tenjin 121 Bldg.	Fukuoka, Fukuoka	Jun. 21, 2002	2,810	0.6	3,257.07	1.6
	C-17	JPR Dojima Bldg.	Osaka, Osaka	Jan. 23, 2004	2,140	0.5	3,918.28	5.0
	C-19	JPR Nagoya Fushimi Bldg.	Nagoya, Aichi	Mar. 22, 2005	4,137	0.9	7,086.37	6.3
	C-20	Yakuin Business Garden	Fukuoka, Fukuoka	Aug. 8, 2012	10,996	2.4	16,654.33	1.6
	C-21	JPR Shinsaibashi Bldg.	Osaka, Osaka	May 30, 2005	5,430	1.2	4,021.63	11.5
	C-22	JPR Shinsaibashi West (Note 6)	Osaka, Osaka	Jan. 30, 2020	3,750	0.8	5,695.71	7.6
May 15, 2003				8,000	1.7			
Retail, etc.	C-1	JPR Umeda Loft Bldg.	Osaka, Osaka	Jul. 16, 2003	5,000	1.1	18,586.97	4.3
				Total	13,000	2.8		
	C-4	Housing Design Center Kobe	Kobe, Hyogo	Sep. 28, 2005	7,220	1.5	35,444.13	7.2
C-5	JPR Chayamachi Bldg.	Osaka, Osaka	Aug. 30, 2006	6,000	1.3	2,478.42	8.4	
Subtotal					¥70,038	15.0	129,831.97	—
Total					¥467,526	100.0	501,162.78	2.1

(Note 1) The table above shows properties owned by JPR as of December 31, 2020.

(Note 2) The leasable floor space indicates only the portions owned by JPR. For co-owned properties, the figure indicates the portions corresponding to the ownership interest held by JPR.

(Note 3) The PML indicates the figures stated in the Portfolio Earthquake PML Valuation Report prepared by Sompo Risk Management Inc., rounded down to the first decimal place.

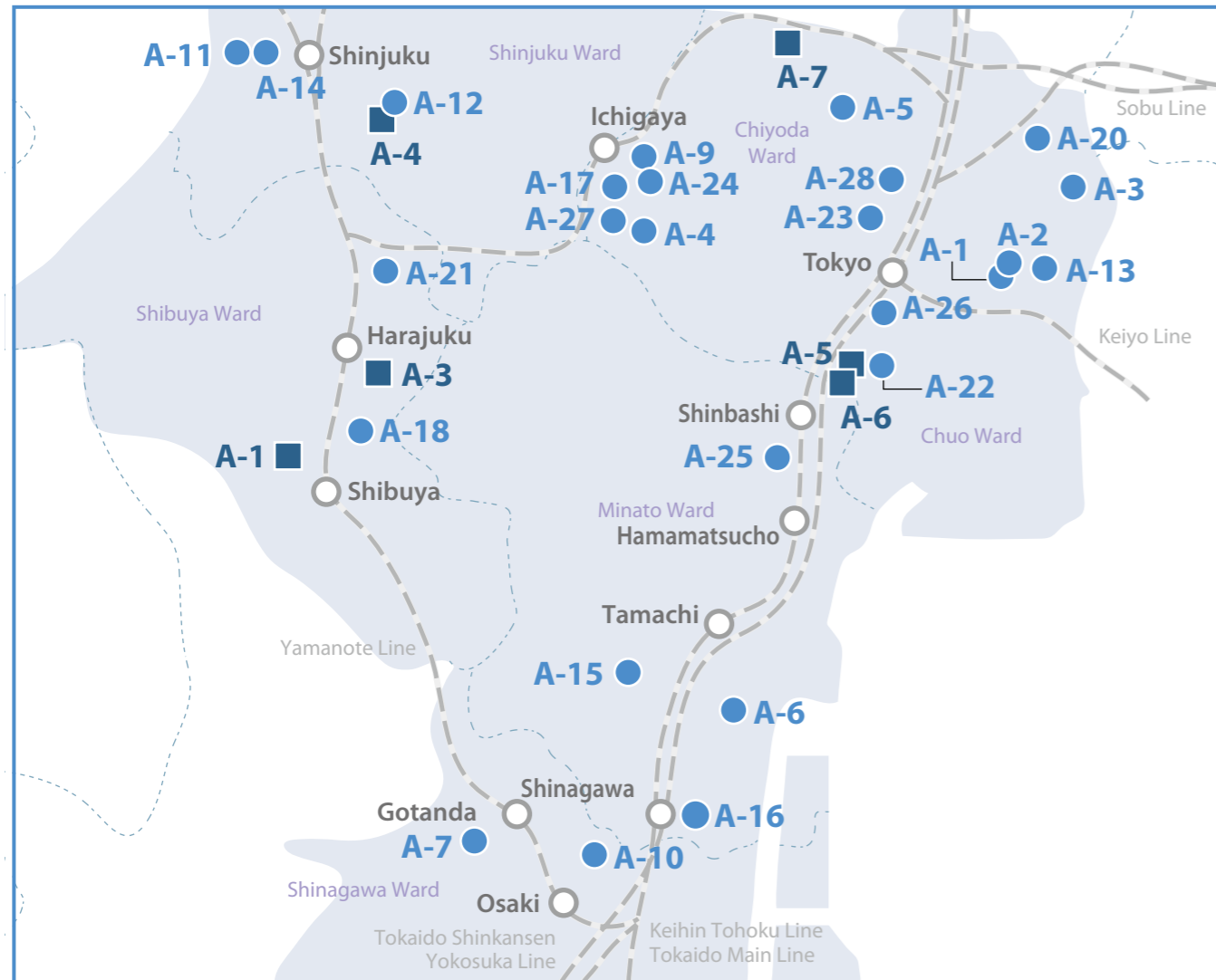
(Note 4) The property was renamed from Tokyo Tatemono Yokohama Bldg. to JPR Yokohama Bldg. on January 1, 2021.

(Note 5) For JPR Hakata Bldg., JPR sold its 35.0% co-ownership interest of the trust beneficiary interest in real estate on December 24, 2020. Accordingly, the acquisition price indicates the amount equivalent to 65.0% co-ownership interest JPR owns as of the end of the 38th fiscal period.

(Note 6) The property was renamed from Minami Semba Bldg. to JPR Shinsaibashi West on January 15, 2021.

# Portfolio Map

## A Central Tokyo



### Office

- A-1 Kanematsu Bldg.
- A-2 Kanematsu Bldg. Annex
- A-3 JPR Ningyo-cho Bldg.
- A-4 Shin-Kojimachi Bldg.
- A-5 JPR Crest Takebashi Bldg.
- A-6 MS Shibaura Bldg.
- A-7 Gotanda First Bldg.
- A-9 JPR Ichigaya Bldg.
- A-10 Oval Court Ohsaki Mark West
- A-11 Shinjuku Square Tower
- A-12 BYGS Shinjuku Bldg.
- A-13 Across Shinkawa Bldg. Annex
- A-14 Shinjuku Center Bldg.
- A-15 Minami Azabu Bldg.
- A-16 Shinagawa Canal Bldg.
- A-17 Rokubancho Bldg.
- A-18 JPR Harajuku Bldg.
- A-20 JPR Nihonbashi-horidome Bldg.
- A-21 JPR Sendagaya Bldg.
- A-22 Ginza Sanwa Bldg.
- A-23 The Otemachi Tower (Land with Leasehold Interest)
- A-24 Science Plaza – Yonbancho Plaza
- A-25 Shibadaimon Center Bldg.
- A-26 Tokyo Square Garden
- A-27 JPR Kojimachi Bldg.

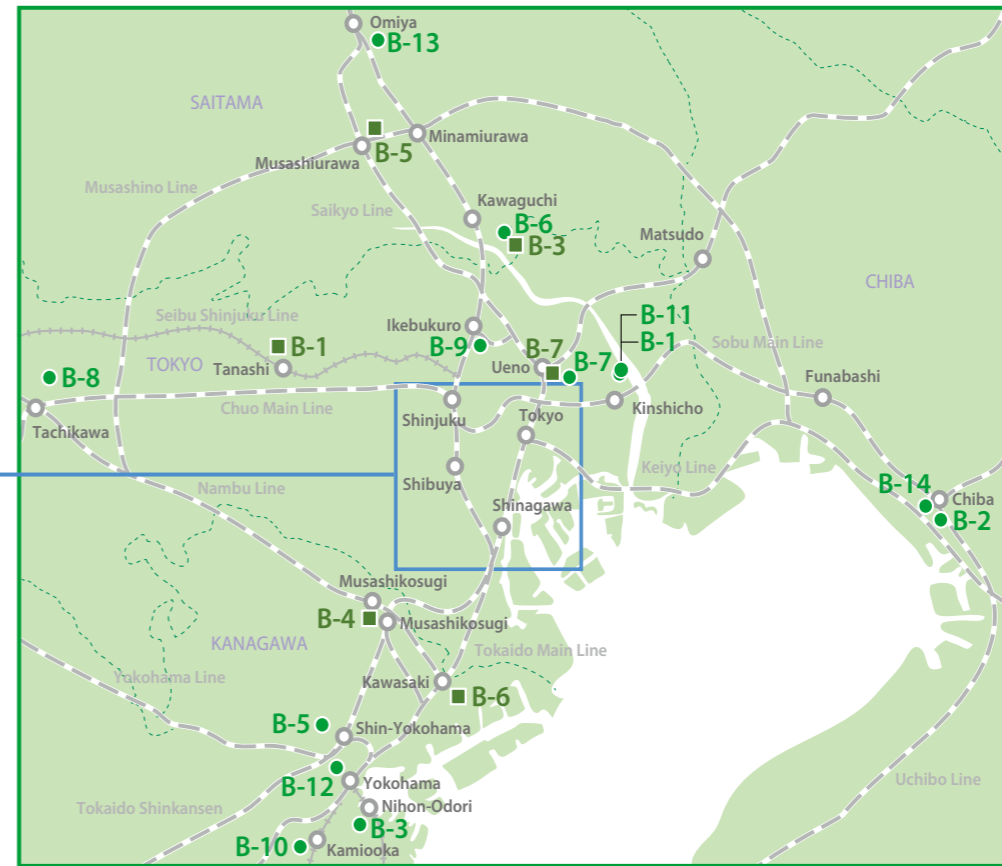
### Property acquired in 38th Fiscal Period

- A-28 Otemachi Financial City North Tower

### Retail

- A-1 JPR Shibuya Tower Records Bldg.
- A-3 JPR Jingumae 432
- A-4 Shinjuku Sanchoe East Bldg.
- A-5 Yurakucho Ekimae Bldg. (Yurakucho Itocia)
- A-6 JPR Ginza Namiki-dori Bldg.
- A-7 FUNDES Suidobashi

## B Greater Tokyo (all other areas of Tokyo, Chiba, Kanagawa and Saitama Prefectures)



### Office

- B-1 Arca East
- B-2 JPR Chiba Bldg.
- B-3 JPR Yokohama Nihon Odori Bldg.
- B-5 Shinyokohama 2nd Center Bldg.
- B-6 Kawaguchi Center Bldg.
- B-7 JPR Ueno East Bldg.
- B-8 Tachikawa Business Center Bldg.
- B-9 Rise Arena Bldg.
- B-10 Yume-ooka Office Tower
- B-11 Olinas Tower
- B-12 JPR Yokohama Bldg.
- B-13 Omiya Prime East
- B-14 Sencity Bldg.

### Retail

- B-1 Tanashi ASTA
- B-3 Cupo-la Main Bldg.
- B-4 JPR Musashikosugi Bldg.
- B-5 Musashiurawa Shopping Square
- B-6 Kawasaki Dice Bldg.
- B-7 FUNDES Ueno

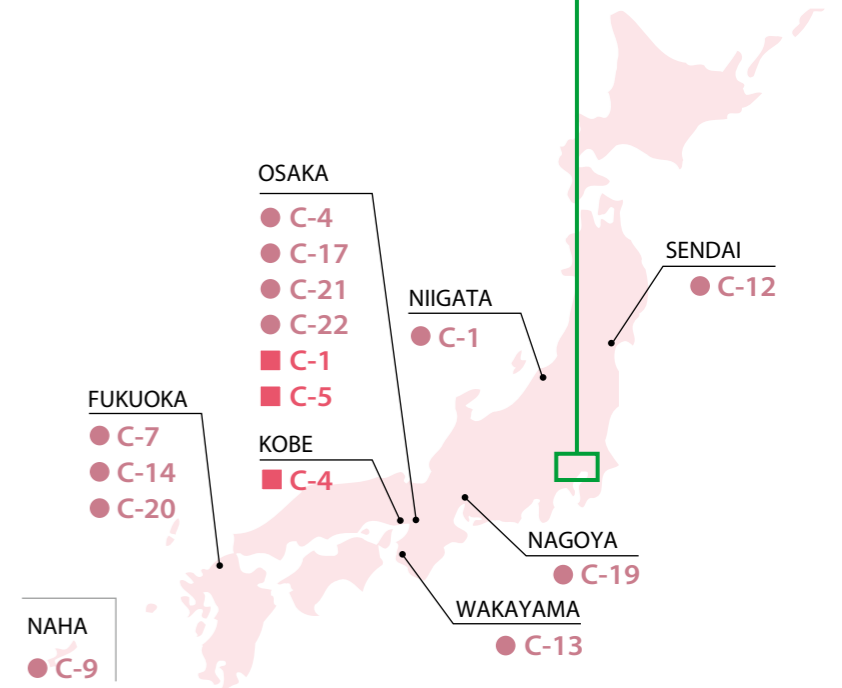
## C Other Cities

### Office

- C-1 Niigata Ekinan Center Bldg.
- C-4 Tokyo Tatemono Honmachi Bldg.
- C-7 JPR Hakata Bldg.
- C-9 JPR Naha Bldg.
- C-12 Sampo Japan Sendai Bldg.
- C-13 Sampo Japan Wakayama Bldg.
- C-14 Tenjin 121 Bldg.
- C-17 JPR Dojima Bldg.
- C-19 JPR Nagoya Fushimi Bldg.
- C-20 Yakuin Business Garden
- C-21 JPR Shinsaibashi Bldg.
- C-22 JPR Shinsaibashi West

### Retail

- C-1 JPR Umeda Loft Bldg.
- C-4 Housing Design Center Kobe
- C-5 JPR Chayamachi Bldg.



### A Central Tokyo

Chiyoda Ward  
Chuo Ward  
Minato Ward  
Shinjuku Ward  
Shinagawa Ward  
Shibuya Ward

### B Greater Tokyo

All other areas of Tokyo, Chiba, Kanagawa and Saitama Prefectures

### C Other Cities

All other areas in Japan

## Properties Owned by JPR

Central Tokyo Office Retail

### A-1 Kanematsu Bldg. Chuo Ward, Tokyo



Acquisition Price	¥16,276 million	Structure/Floors	S/RC/SRC B2/13F
Site Area	1,751.13 m <sup>2</sup>	Completed	February 1993
Total Floor Space	14,995.09 m <sup>2</sup>	Property Manager	Tokyo Tatemono Co., Ltd.

### A-2 Kanematsu Bldg. Annex Chuo Ward, Tokyo



Acquisition Price	¥2,874 million
Site Area	679.06 m <sup>2</sup>
Total Floor Space	4,351.46 m <sup>2</sup>
Structure/Floors	SRC B1/8F
Completed	February 1993
Property Manager	Tokyo Tatemono Co., Ltd.

### A-3 JPR Ningyo-cho Bldg. Chuo Ward, Tokyo



Acquisition Price	¥2,100 million
Site Area	550.06 m <sup>2</sup>
Total Floor Space	4,117.70 m <sup>2</sup>
Structure/Floors	SRC/RC B1/8F
Completed	December 1989
Property Manager	Tokyo Tatemono Co., Ltd.

### A-4 Shin-Kojimachi Bldg. Chiyoda Ward, Tokyo



Acquisition Price	¥2,420 million
Site Area	657.80 m <sup>2</sup>
Total Floor Space	5,152.98 m <sup>2</sup>
Structure/Floors	SRC B1/9F
Completed	October 1984
Property Manager	Tokyo Tatemono Co., Ltd.

### A-5 JPR Crest Takebashi Bldg. Chiyoda Ward, Tokyo



Acquisition Price	¥4,000 million
Site Area	636.90 m <sup>2</sup>
Total Floor Space	4,790.68 m <sup>2</sup>
Structure/Floors	SRC B1/9F
Completed	September 1999
Property Manager	Tokyo Tatemono Co., Ltd.

### A-6 MS Shibaura Bldg. Minato Ward, Tokyo



Acquisition Price	¥11,200 million
Site Area	8,992.18 m <sup>2</sup> (including Trinity Shibaura site developed with this property)
Total Floor Space	31,020.21 m <sup>2</sup>
Structure/Floors	SRC/RC/S B2/13F
Completed	February 1988
Property Manager	Tokyo Tatemono Co., Ltd.

### A-7 Gotanda First Bldg. Shinagawa Ward, Tokyo



Acquisition Price	¥2,920 million
Site Area	1,551.19 m <sup>2</sup>
Total Floor Space	10,553.34 m <sup>2</sup>
Structure/Floors	SRC/RC B2/11F
Completed	July 1989
Property Manager	Tokyo Tatemono Co., Ltd.

Central Tokyo Office Retail

### A-9 JPR Ichigaya Bldg. Chiyoda Ward, Tokyo



Acquisition Price	¥5,100 million
Site Area	1,058.04 m <sup>2</sup>
Total Floor Space	5,888.82 m <sup>2</sup>
Structure/Floors	SRC B1/9F
Completed	March 1989
Property Manager	Tokyo Tatemono Co., Ltd.

### A-11 Shinjuku Square Tower Shinjuku Ward, Tokyo



Acquisition Price	¥14,966 million	Structure/Floors	S/RC/SRC B4/30F
Site Area	8,409.52 m <sup>2</sup> (entire redevelopment project)	Completed	October 1994
Total Floor Space	78,796.00 m <sup>2</sup> (entire redevelopment project)	Property Manager	Tokyo Tatemono Co., Ltd.

### A-13 Across Shinkawa Bldg. Annex Chuo Ward, Tokyo



Acquisition Price	¥710 million
Site Area	858.48 m <sup>2</sup>
Total Floor Space	5,535.90 m <sup>2</sup>
Structure/Floors	S/SRC B2/10F
Completed	June 1994
Property Manager	Tokyo Tatemono Co., Ltd.

### A-10 Oval Court Ohsaki Mark West Shinagawa Ward, Tokyo



Acquisition Price	¥3,500 million
Site Area	4,006.00 m <sup>2</sup>
Total Floor Space	28,575.80 m <sup>2</sup>
Structure/Floors	S/SRC B2/17F
Completed	June 2001
Property Manager	Tokyo Tatemono Co., Ltd.

### A-12 BYGS Shinjuku Bldg. Shinjuku Ward, Tokyo



Acquisition Price	¥15,121 million
Site Area	3,522.46 m <sup>2</sup>
Total Floor Space	25,733.10 m <sup>2</sup>
Structure/Floors	SRC B2/14F
Completed	April 1985
Property Manager	Tokyo Tatemono Co., Ltd.

### A-14 Shinjuku Center Bldg. Shinjuku Ward, Tokyo



Acquisition Price	¥21,000 million	Structure/Floors	SRC/RC/S B5/54F
Site Area	14,917.11 m <sup>2</sup>	Completed	October 1979
Total Floor Space	176,607.89 m <sup>2</sup>	Property Manager	Tokyo Tatemono Co., Ltd.

Properties Owned by JPR

Central Tokyo Office Retail

**A-15 Minami Azabu Bldg.**  
Minato Ward, Tokyo



Acquisition Price	¥3,760 million
Site Area	778.09 m <sup>2</sup>
Total Floor Space	4,570.63 m <sup>2</sup>
Structure/Floors	S 9F
Completed	June 1992
Property Manager	Tokyo Tatemono Co., Ltd.

**A-16 Shinagawa Canal Bldg.**  
Minato Ward, Tokyo



DBJ Green Building 2018

Acquisition Price	¥2,041 million
Site Area	828.82 m <sup>2</sup>
Total Floor Space	5,216.21 m <sup>2</sup>
Structure/Floors	S B1/8F
Completed	July 2008
Property Manager	Tokyo Tatemono Co., Ltd.

**A-17 Rokubancho Bldg.**  
Chiyoda Ward, Tokyo



Acquisition Price	¥2,800 million
Site Area	716.95 m <sup>2</sup>
Total Floor Space	4,205.09 m <sup>2</sup>
Structure/Floors	SRC B3/7F
Completed	October 1991
Property Manager	Tokyo Tatemono Co., Ltd.

**A-18 JPR Harajuku Bldg.**  
Shibuya Ward, Tokyo



Acquisition Price	¥8,400 million
Site Area	1,205.07 m <sup>2</sup>
Total Floor Space	6,466.94 m <sup>2</sup>
Structure/Floors	SRC B1/9F
Completed	March 1989
Property Manager	Tokyo Tatemono Co., Ltd.

**A-20 JPR Nihonbashi-horidome Bldg.**  
Chuo Ward, Tokyo



CASBEE

Acquisition Price	¥5,100 million
Site Area	937.59 m <sup>2</sup>
Total Floor Space	7,190.82 m <sup>2</sup>
Structure/Floors	S/RC B1/9F
Completed	June 2002
Property Manager	Tokyo Tatemono Co., Ltd.

**A-21 JPR Sendagaya Bldg.**  
Shibuya Ward, Tokyo



DBJ Green Building 2018

Acquisition Price	¥15,050 million
Site Area	2,217.49 m <sup>2</sup>
Total Floor Space	7,683.19 m <sup>2</sup>
Structure/Floors	S 8F
Completed	May 2009
Property Manager	Tokyo Tatemono Co., Ltd.

**A-22 Ginza Sanwa Bldg.**  
Chuo Ward, Tokyo



Acquisition Price	¥3,400 million
Site Area	1,119.27 m <sup>2</sup>
Total Floor Space	8,851.00 m <sup>2</sup>
Structure/Floors	SRC B2/9F
Completed	October 1982
Property Manager	Mitsubishi Jisho Property Management Co., Ltd.


**A-24 Science Plaza - Yonbancho Plaza**  
Chiyoda Ward, Tokyo



Acquisition Price	¥2,660 million
Site Area	5,289.01 m <sup>2</sup>
Total Floor Space	24,560.36 m <sup>2</sup>
Structure/Floors	S/SRC/RC B2/12F
Completed	February 1995
Property Manager	Nomura Real Estate Partners Co., Ltd.

Central Tokyo Office Retail

**A-23 The Otemachi Tower (Land with Leasehold Interest)**  
Chiyoda Ward, Tokyo



Acquisition Price	¥36,000 million
Site Area	11,034.78 m <sup>2</sup>
Total Floor Space	-
Structure/Floors	-
Completed	-
Property Manager	- (Note)

(Note) Since the property consists of land with leasehold interest only, no property management company has been appointed.

**A-26 Tokyo Square Garden**  
Chuo Ward, Tokyo



DBJ Green Building 2020


Acquisition Price	¥18,400 million
Site Area	8,124.72 m <sup>2</sup>
Total Floor Space	112,645.83 m <sup>2</sup>
Structure/Floors	S/SRC B4/24F
Completed	February 2013
Property Manager	Tokyo Tatemono Co., Ltd.

**A-25 Shibadaimon Center Bldg.**  
Minato Ward, Tokyo



Acquisition Price	¥4,220 million
Site Area	1,915.50 m <sup>2</sup>
Total Floor Space	11,419.93 m <sup>2</sup>
Structure/Floors	S/SRC B1/10F
Completed	July 1993
Property Manager	Nomura Real Estate Partners Co., Ltd.

**A-27 JPR Kojimachi Bldg.**  
Chiyoda Ward, Tokyo



CASBEE

Acquisition Price	¥5,750 million
Site Area	643.13 m <sup>2</sup>
Total Floor Space	4,438.46 m <sup>2</sup>
Structure/Floors	S B1/9F
Completed	February 1999
Property Manager	Tokyo Tatemono Co., Ltd.

**A-28 Otemachi Financial City North Tower**  
Chiyoda Ward, Tokyo



Acquisition Price	¥11,400 million
Site Area	15,838.93 m <sup>2</sup> (including South Tower)
Total Floor Space	239,769.07 m <sup>2</sup> (including South Tower)
Structure/Floors	S/SRC B4/35F (Note 1)
Completed	October 2012
Property Manager	- (Note 2)

(Note 1) B4/31F for the North Tower portion  
(Note 2) There is no property manager to which JPR directly consigns management of the property.

## Properties Owned by JPR

### Central Tokyo Office Retail

#### A-1 JPR Shibuya Tower Records Bldg. Shibuya Ward, Tokyo



Acquisition Price	¥12,000 million	Structure/Floors	SRC/S B3/8F
Site Area	1,010.47 m <sup>2</sup>	Completed	February 1992
Total Floor Space	8,449.56 m <sup>2</sup>	Property Manager	Prime Place Co., Ltd.

#### A-3 JPR Jingumae 432 Shibuya Ward, Tokyo



Acquisition Price	¥4,275 million
Site Area	198.10 m <sup>2</sup>
Total Floor Space	1,066.81 m <sup>2</sup>
Structure/Floors	S/SRC B1/7F
Completed	February 2006
Property Manager	Jones Lang LaSalle K.K.

#### A-4 Shinjuku Sanchome East Bldg. Shinjuku Ward, Tokyo



Acquisition Price	¥2,740 million
Site Area	2,578.69 m <sup>2</sup>
Total Floor Space	24,617.65 m <sup>2</sup>
Structure/Floors	S/SRC/RC B3/14F
Completed	January 2007
Property Manager	Prime Place Co., Ltd.

#### A-5 Yurakucho Ekimae Bldg. (Yurakucho Itocia) Chiyoda Ward, Tokyo



Acquisition Price	¥3,400 million	Structure/Floors	S/SRC B4/20F
Site Area	6,808.12 m <sup>2</sup>	Completed	October 2007
Total Floor Space	71,957.65 m <sup>2</sup>	Property Manager	Prime Place Co., Ltd.

#### A-6 JPR Ginza Namiki-dori Bldg. Chuo Ward, Tokyo



Acquisition Price	¥10,100 million
Site Area	230.11 m <sup>2</sup>
Total Floor Space	1,821.67 m <sup>2</sup>
Structure/Floors	S 11F
Completed	June 2008
Property Manager	Prime Place Co., Ltd.

#### A-7 FUNDES Suidobashi Chiyoda Ward, Tokyo



Acquisition Price	¥3,250 million
Site Area	281.59 m <sup>2</sup>
Total Floor Space	1,477.91 m <sup>2</sup>
Structure/Floors	S 9F
Completed	July 2015
Property Manager	Prime Place Co., Ltd.

### Greater Tokyo Office Retail

#### B-1 Arca East Sumida Ward, Tokyo



Acquisition Price	¥5,880 million
Site Area	3,755.01 m <sup>2</sup>
Total Floor Space	34,281.86 m <sup>2</sup>
Structure/Floors	S/SRC B3/19F
Completed	March 1997
Property Manager	Tokyo Tatemono Co., Ltd.

#### B-3 JPR Yokohama Nihon Odori Bldg. Yokohama City, Kanagawa



Acquisition Price	¥2,927 million
Site Area	1,100.59 m <sup>2</sup>
Total Floor Space	9,146.52 m <sup>2</sup>
Structure/Floors	SRC B1/11F
Completed	October 1989
Property Manager	Tokyo Tatemono Co., Ltd.

#### B-6 Kawaguchi Center Bldg. Kawaguchi City, Saitama



Acquisition Price	¥8,100 million
Site Area	4,524.61 m <sup>2</sup>
Total Floor Space	28,420.85 m <sup>2</sup>
Structure/Floors	S/SRC B2/15F
Completed	February 1994
Property Manager	Nomura Real Estate Partners Co., Ltd.

#### B-8 Tachikawa Business Center Bldg. Tachikawa City, Tokyo



Acquisition Price	¥3,188 million
Site Area	2,047.22 m <sup>2</sup>
Total Floor Space	14,706.36 m <sup>2</sup>
Structure/Floors	S/SRC B1/12F
Completed	December 1994
Property Manager	Tokyo Tatemono Co., Ltd.

#### B-2 JPR Chiba Bldg. Chiba City, Chiba



Acquisition Price	¥2,350 million
Site Area	1,382.35 m <sup>2</sup>
Total Floor Space	9,072.57 m <sup>2</sup>
Structure/Floors	S/SRC B1/13F
Completed	January 1991
Property Manager	Jones Lang LaSalle K.K.

#### B-5 Shinyokohama 2nd Center Bldg. Yokohama City, Kanagawa



Acquisition Price	¥1,490 million
Site Area	841.71 m <sup>2</sup>
Total Floor Space	7,781.93 m <sup>2</sup>
Structure/Floors	S/SRC B2/12F
Completed	August 1991
Property Manager	Nomura Real Estate Partners Co., Ltd.

#### B-7 JPR Ueno East Bldg. Taito Ward, Tokyo



Acquisition Price	¥3,250 million
Site Area	1,242.97 m <sup>2</sup>
Total Floor Space	8,490.44 m <sup>2</sup>
Structure/Floors	S/SRC B1/8F
Completed	October 1992
Property Manager	Jones Lang LaSalle K.K.

#### B-9 Rise Arena Bldg. Toshima Ward, Tokyo



Acquisition Price	¥5,831 million
Site Area	9,377.28 m <sup>2</sup> (entire redevelopment project)
Total Floor Space	91,280.94 m <sup>2</sup> (including residential tower)
Structure/Floors	RC/SRC/S B3/42F (including residential tower) <sup>(Note)</sup>
Completed	January 2007
Property Manager	Taisei-Yuraku Real Estate Co., Ltd.
<sup>(Note)</sup> The office building has 15 floors above ground and 2 floors underground.	

Properties Owned by JPR

Greater Tokyo Office Retail

**B-10** Yume-ooka Office Tower  
Yokohama City, Kanagawa



Acquisition Price	¥6,510 million	Structure/Floors	S/SRC/RC B3/27F
Site Area	12,011.00 m <sup>2</sup>	Completed	March 1997
Total Floor Space	185,974.87 m <sup>2</sup>	Property Manager	Tokyo Tatemono Co., Ltd.

**B-11** Olinas Tower  
Sumida Ward, Tokyo



Acquisition Price	¥31,300 million	Structure/Floors	SRC/RC/S B2/45F (Note)
Site Area	27,335.29 m <sup>2</sup> (entire site area)	Completed	February 2006
Total Floor Space	257,842.41 m <sup>2</sup> (includes commercial tower and residential tower)	Property Manager	Tokyo Tatemono Co., Ltd.

(Note) The office building has 31 floors above ground and 2 floors underground.

Greater Tokyo Office Retail

**B-1** Tanashi ASTA  
Nishitokyo City, Tokyo



Acquisition Price	¥10,200 million	Structure/Floors	SRC B2/17F
Site Area	12,326.30 m <sup>2</sup>	Completed	February 1995
Total Floor Space	80,675.27 m <sup>2</sup>	Property Manager	Prime Place Co., Ltd.

**B-3** Cupo-la Main Bldg.  
Kawaguchi City, Saitama



Acquisition Price	¥2,100 million
Site Area	15,008.28 m <sup>2</sup> (entire redevelopment project)
Total Floor Space	48,321.96 m <sup>2</sup>
Structure/Floors	S/RC/SRC B2/10F
Completed	January 2006
Property Manager	Prime Place Co., Ltd.

**B-4** JPR Musashikosugi Bldg.  
Kawasaki City, Kanagawa



Acquisition Price	¥7,254 million
Site Area	4,757.09 m <sup>2</sup>
Total Floor Space	18,394.32 m <sup>2</sup>
Structure/Floors	SRC/RC/S B1/6F
Completed	March 1983
Property Manager	Prime Place Co., Ltd.

**B-12** JPR Yokohama Bldg.  
Yokohama City, Kanagawa



Acquisition Price	¥7,000 million
Site Area	1,110.28 m <sup>2</sup>
Total Floor Space	8,772.51 m <sup>2</sup>
Structure/Floors	SRC B1/9F
Completed	May 1981
Property Manager	Tokyo Tatemono Co., Ltd.

**B-14** Sencity Bldg.  
Chiba City, Chiba



Acquisition Price	¥13,870 million	Structure/Floors	S/SRC B2/23F
Site Area	20,054.15 m <sup>2</sup> (entire redevelopment project)	Completed	April 1993
Total Floor Space	158,663.55 m <sup>2</sup> (entire redevelopment project)	Property Manager	Taisei-Yuraku Real Estate Co., Ltd.

**B-5** Musashiurawa Shopping Square  
Saitama City, Saitama



Acquisition Price	¥4,335 million
Site Area	8,317.99 m <sup>2</sup>
Total Floor Space	28,930.36 m <sup>2</sup>
Structure/Floors	S B1/4F
Completed	October 2005
Property Manager	Nomura Real Estate Retail Properties Co., Ltd. (Note), Prime Place Co., Ltd.

(Note) The company changed its name from Geo-Akamatsu Co., Ltd. as of October 1, 2020.

**B-6** Kawasaki Dice Bldg.  
Kawasaki City, Kanagawa



Acquisition Price	¥15,080 million	Structure/Floors	S/SRC/RC B2/11F
Site Area	4,475.45 m <sup>2</sup>	Completed	August 2003
Total Floor Space	36,902.01 m <sup>2</sup>	Property Manager	Tokyo Tatemono Co., Ltd.

**B-13** Omiya Prime East  
Saitama City, Saitama



Acquisition Price	¥6,090 million
Site Area	2,268.09 m <sup>2</sup>
Total Floor Space	9,203.98 m <sup>2</sup>
Structure/Floors	S 9F
Completed	February 2009
Property Manager	Tokyo Tatemono Co., Ltd.

**B-7** FUNDES Ueno  
Taito Ward, Tokyo



Acquisition Price	¥3,800 million
Site Area	383.74 m <sup>2</sup>
Total Floor Space	2,235.60 m <sup>2</sup>
Structure/Floors	S B1/10F
Completed	July 2017
Property Manager	Prime Place Co., Ltd.

## Properties Owned by JPR

Other Cities Office Retail

### C-1 Niigata Ekinan Center Bldg.

Niigata City, Niigata



Acquisition Price	¥2,140 million
Site Area	2,706.99 m <sup>2</sup>
Total Floor Space	19,950.42 m <sup>2</sup>
Structure/Floors	S/SRC B1/10F
Completed	March 1996
Property Manager	Jones Lang LaSalle K.K.

### C-4 Tokyo Tatemono Honmachi Bldg.

Osaka City, Osaka



Acquisition Price	¥4,150 million
Site Area	1,432.64 m <sup>2</sup>
Total Floor Space	14,619.52 m <sup>2</sup>
Structure/Floors	SRC B3/9F
Completed	February 1970
Property Manager	Tokyo Tatemono Co., Ltd.

### C-7 JPR Hakata Bldg.

Fukuoka City, Fukuoka



Acquisition Price	¥1,885 million
Site Area	1,214.63 m <sup>2</sup>
Total Floor Space	9,828.73 m <sup>2</sup>
Structure/Floors	S/RC B1/12F
Completed	June 1985 expansion in November 2003
Property Manager	Tokyo Tatemono Co., Ltd.

### C-9 JPR Naha Bldg.

Naha City, Okinawa



Acquisition Price	¥1,560 million
Site Area	959.87 m <sup>2</sup>
Total Floor Space	5,780.71 m <sup>2</sup>
Structure/Floors	SRC/S 12F
Completed	October 1991
Property Manager	Tokyo Tatemono Co., Ltd.

### C-12 Sompo Japan Sendai Bldg.

Sendai City, Miyagi



Acquisition Price	¥3,150 million
Site Area	1,895.67 m <sup>2</sup>
Total Floor Space	10,783.52 m <sup>2</sup>
Structure/Floors	SRC B1/12F
Completed	December 1997
Property Manager	Tokyo Tatemono Co., Ltd.



### C-13 Sompo Japan Wakayama Bldg.

Wakayama City, Wakayama



Acquisition Price	¥1,670 million
Site Area	1,128.45 m <sup>2</sup>
Total Floor Space	6,715.07 m <sup>2</sup>
Structure/Floors	S 9F
Completed	July 1996
Property Manager	Nomura Real Estate Partners Co., Ltd.

### C-14 Tenjin 121 Bldg.

Fukuoka City, Fukuoka



Acquisition Price	¥2,810 million
Site Area	1,164.39 m <sup>2</sup>
Total Floor Space	8,690.95 m <sup>2</sup>
Structure/Floors	S/SRC 13F
Completed	July 2000
Property Manager	Tokyo Tatemono Co., Ltd.

### C-17 JPR Dojima Bldg.

Osaka City, Osaka



Acquisition Price	¥2,140 million
Site Area	668.11 m <sup>2</sup>
Total Floor Space	5,696.01 m <sup>2</sup>
Structure/Floors	SRC B2/9F
Completed	October 1993
Property Manager	Tokyo Tatemono Co., Ltd.

Other Cities Office Retail

### C-19 JPR Nagoya Fushimi Bldg.

Nagoya City, Aichi



Acquisition Price	¥4,137 million
Site Area	1,610.38 m <sup>2</sup>
Total Floor Space	10,201.44 m <sup>2</sup>
Structure/Floors	SRC B1/9F
Completed	March 1991
Property Manager	Tokyo Tatemono Co., Ltd.



### C-20 Yakuin Business Garden

Fukuoka City, Fukuoka



Acquisition Price	¥10,996 million
Site Area	4,486.44 m <sup>2</sup>
Total Floor Space	22,286.35 m <sup>2</sup>
Structure/Floors	SRC 14F
Completed	January 2009
Property Manager	Tokyo Tatemono Co., Ltd.



### C-21 JPR Shinsaibashi Bldg.

Osaka City, Osaka



Acquisition Price	¥5,430 million
Site Area	609.31 m <sup>2</sup>
Total Floor Space	5,303.98 m <sup>2</sup>
Structure/Floors	S B2/10F
Completed	February 2003 expansion in January 2005
Property Manager	Tokyo Tatemono Co., Ltd.

### C-22 JPR Shinsaibashi West

Osaka City, Osaka



Acquisition Price	¥3,750 million
Site Area	1,405.74 m <sup>2</sup>
Total Floor Space	7,738.47 m <sup>2</sup>
Structure/Floors	SRC B1/8F
Completed	September 1986
Property Manager	Nomura Real Estate Partners Co., Ltd.

### C-1 JPR Umeda Loft Bldg.

Osaka City, Osaka



Acquisition Price	¥13,000 million
Site Area	3,518.68 m <sup>2</sup>
Total Floor Space	17,897.56 m <sup>2</sup>
Structure/Floors	SRC B1/8F
Completed	April 1990
Property Manager	Nomura Real Estate Partners Co., Ltd.



### C-4 Housing Design Center Kobe

Kobe City, Hyogo



Acquisition Price	¥7,220 million
Site Area	3,994.47 m <sup>2</sup>
Total Floor Space	33,877.71 m <sup>2</sup>
Structure/Floors	SRC/S B2/11F
Completed	June 1994
Property Manager	Nomura Real Estate Partners Co., Ltd.



### C-5 JPR Chayamachi Bldg.

Osaka City, Osaka



Acquisition Price	¥6,000 million
Site Area	592.45 m <sup>2</sup>
Total Floor Space	3,219.36 m <sup>2</sup>
Structure/Floors	S/SRC 9F
Completed	June 1994
Property Manager	Nomura Real Estate Partners Co., Ltd.

## Structure and History of JPR

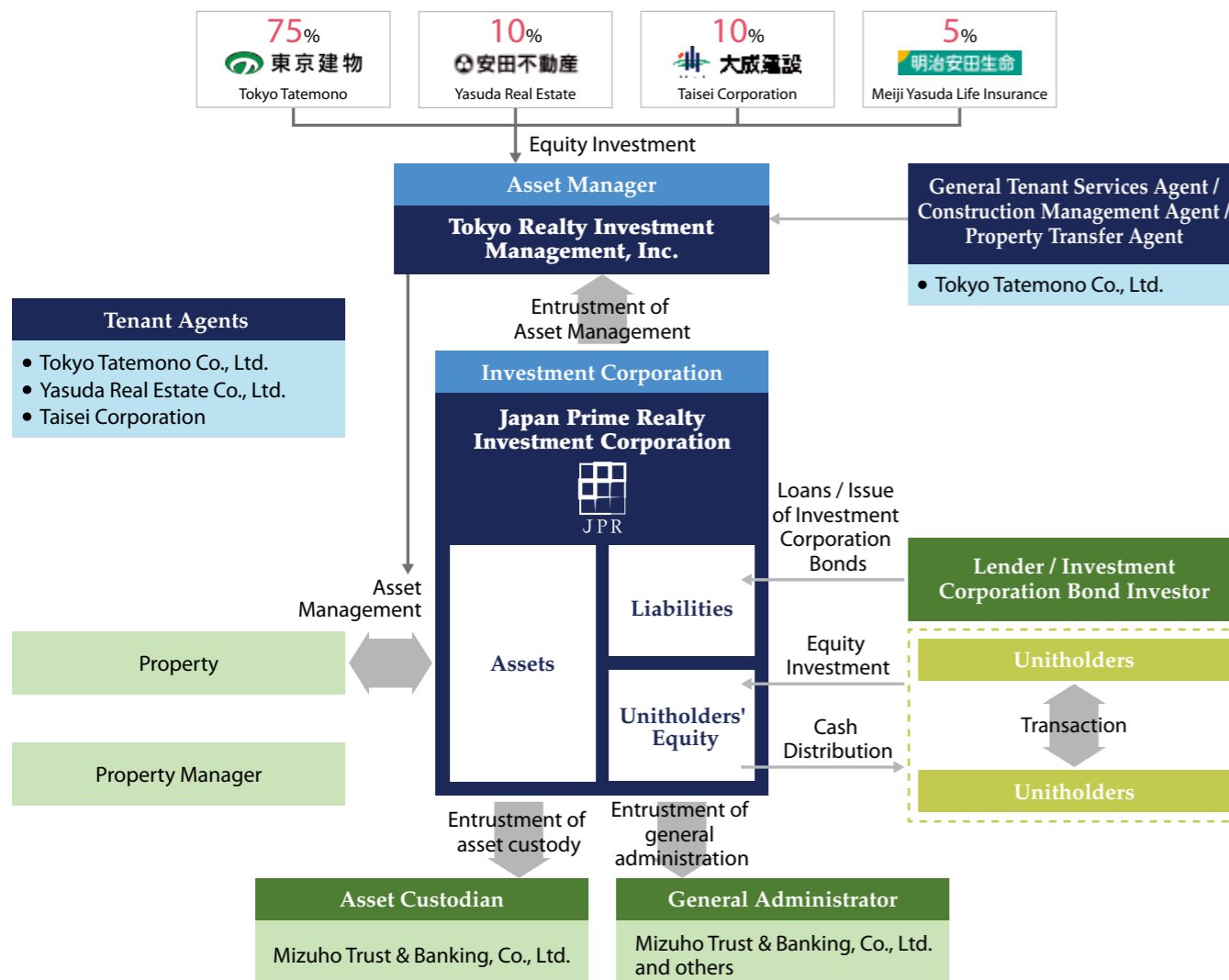
### The Objective and Basic Characteristics of JPR

With the fundamental concept of “investment in urban commercial real estate,” JPR shall invest primarily in real estate, which comprises superior urban office buildings (urban commercial facilities), retail properties (urban retail properties) located in thriving commercial areas, hotels (urban accommodation facilities) (urban retail properties and urban accommodation facilities referred together as “urban retail properties, etc.”) and urban multi-use facilities, and the land on which these buildings are located. In addition, in light of the returns and risks of these investment targets, JPR shall make it a basic policy to invest not only in Tokyo, but also strive to diversify into other regional cities so as to maximize the advantages of portfolio management.

### Corporate History

Date	Description
September 6, 2001	The founder (Tokyo Realty Investment Management, Inc.) filed for establishment of the investment corporation under Article 69-1 of the Act on Investment Trusts and Investment Corporations (Investment Trusts Act)
September 14, 2001	Japan Prime Realty Investment Corporation was registered and established under Article 166 of the Investment Trusts Act
November 16, 2001	Started asset management (acquisition of real estate beneficiary interests in trust for 13 underlying trust assets comprising 11 office properties and 2 retail properties) (¥40,730 million in total)
January 22, 2002	Investment unit split (2.5 units for 1 existing unit) pursuant to Article 87 of the Investment Trusts Act
June 14, 2002	Listed on the Real Estate Investment Trust Section of the Tokyo Stock Exchange and started trading

### Structure of JPR



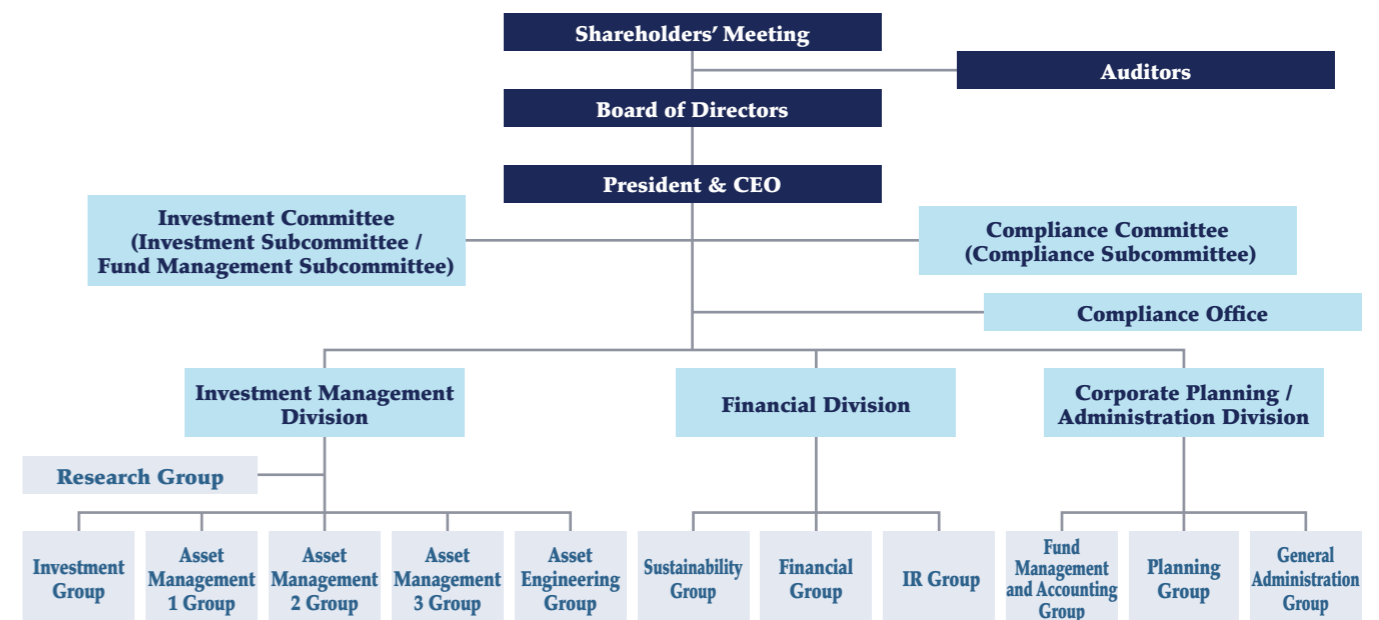
## Overview of Asset Manager

### Overview

Name	Tokyo Realty Investment Management, Inc. (TRIM)
Business Description	Asset management for investment corporations
Capitalization	¥350 million
Shareholder Composition (Shareholding ratio)	Tokyo Tatemono Co., Ltd. (75%) Yasuda Real Estate Co., Ltd. (10%) Taisei Corporation (10%) Meiji Yasuda Life Insurance Company (5%)
<b>Corporate History</b>	
April 28, 2000	Established
October 13, 2000	Obtained license as real estate transaction agent (currently: No. (5) 79025 licensed by Governor of Tokyo)
March 16, 2001	Obtained license as discretionary transaction agent under the Building Lots and Building Transactions Business Act (Approval Number: No. 3)
June 20, 2001	Obtained license as asset management agent for investment corporation under the Act on Investment Trusts and Investment Corporations (Approval Number: No. 7 licensed by the Prime Minister)
September 30, 2007	Registered for financial instruments exchange business (investment management business) (Registration Number: No.362 (Kinsho) Head of Kanto Local Finance Bureau) <sup>(Note)</sup>
November 28, 2007	Applied for registration and submitted application form for financial instruments exchange business

(Note) Tokyo Realty Investment Management, Inc. was deemed to have been registered as investment management business, applicable to the Supplementary Provisions Article 159-1 of the Act for Partial Revision of the Securities and Exchange Act, etc. (Act No. 65 of 2006)

### Organization Chart



### Decision-Making Institutions for Investment Management

TRIM has established the Investment Committee as the institution to make investment management decisions, as well as the Investment Subcommittee (including the Due Diligence Subcommittee) and the Fund Management Subcommittee as subsidiary bodies of the Committee. These committees are comprised of the President and CEO, Investment Management Division General Manager, Financial Division General Manager, and Corporate Planning / Administration Division General Manager. The Compliance Office General Manager also participates in these committees to enhance confirmation in terms of legal compliance. Matters concerning the targets and policies of investment management are decided by the Board of Directors, and matters concerning planning and implementation of asset management are decided by the Investment Committee.

Matters concerning acquisition, disposition or management of individual properties are decided by the Investment Subcommittee or the Fund Management Subcommittee, respectively. Moreover, the Board of Directors has final decision-making authority for acquisitions and dispositions of individual assets having over a certain amount of value.



# 1. Overview of Asset Management

## (1) Changes in Operating Results and Other Management Data

	Fiscal Period	Unit	34th Fiscal Period (Jul. 1, 2018 - Dec. 31, 2018)	35th Fiscal Period (Jan. 1, 2019 - Jun. 30, 2019)	36th Fiscal Period (Jul. 1, 2019 - Dec. 31, 2019)	37th Fiscal Period (Jan. 1, 2020 - Jun. 30, 2020)	38th Fiscal Period (Jul. 1, 2020 - Dec. 31, 2020)
Operating Performance	Operating Revenue	Million yen	15,652	16,101	16,005	16,363	17,129
	Rent revenue – real estate	Million yen	15,652	15,695	16,005	16,363	16,714
	Gain on sale of real estate	Million yen	–	405	–	–	414
	Operating Expenses	Million yen	8,066	8,147	8,320	8,350	8,596
	Expenses related to rent business	Million yen	7,311	7,349	7,538	7,436	7,611
	Operating Income	Million yen	7,586	7,954	7,684	8,013	8,533
	Ordinary Income	Million yen	6,761	7,216	6,915	7,277	7,840
	Net Income	Million yen	6,760	7,216	6,914	7,276	7,839
	Assets, etc.	Total Assets	Million yen	447,157	452,366	453,467	473,186
(Period-on-period variation)		%	(+0.2)	(+1.2)	(+0.2)	(+4.3)	(+2.4)
Interest-bearing Debts		Million yen	181,020	185,020	185,020	187,020	196,520
Total Unitholders' Equity		Million yen	238,712	239,166	239,269	255,838	256,399
(Period-on-period variation)		%	(+0.0)	(+0.2)	(+0.0)	(+6.9)	(+0.2)
Cash Distribution per Unit, etc.	Unitholders' Capital	Million yen	231,653	231,653	231,653	247,860	247,860
	Total Cash Distributions	Million yen	6,761	6,811	6,916	7,277	7,426
	Dividend payout ratio	%	100.0	94.3	100.0	100.0	94.7
	Number of Units Outstanding	Units	923,000	923,000	923,000	958,250	958,250
	Total Unitholders' Equity per unit	Yen	258,626	259,118	259,230	266,984	267,570
	Cash Distribution per Unit	Yen	7,326	7,380	7,493	7,595	7,750
	Distribution amount	Yen	7,326	7,380	7,493	7,595	7,750
Financial Indices	Exceeding profit distribution amount	Yen	–	–	–	–	–
	Ordinary Income on Total Assets (Note 1)	%	1.5	1.6	1.5	1.6	1.6
	Annualized (Note 10)	%	3.0	3.2	3.0	3.2	3.2
	Net Income on Total Unitholders' Equity (Note 2)	%	2.8	3.0	2.9	2.9	3.1
	Annualized (Note 10)	%	5.6	6.1	5.7	5.9	6.1
	Total unitholders' equity at beginning of period	Million yen	238,638	238,712	239,166	239,269	255,838
	Unitholders' Equity Ratio at End of Period (Note 3)	%	53.4	52.9	52.8	54.1	52.9
	(Period-on-period variation)		(-0.1)	(-0.5)	(-0.1)	(+1.3)	(-1.2)
	Interest-bearing Debts to Total Assets at End of Period (Note 4)	%	40.5	40.9	40.8	39.5	40.6
	DSCR (Note 5)	Times	12.0	12.5	13.2	14.1	14.6
	Net income before interest and amortization (Note 6)	Million yen	9,500	9,536	9,620	10,015	10,208
	Interest expenses	Million yen	794	760	731	710	697
	NOI from Leasing (Note 7)	Million yen	10,285	10,311	10,441	10,954	11,188
Annualized NOI yield (Notes 9 and 10)	%	4.7	4.7	4.7	4.8	4.7	
	NCF from Leasing (Note 8)	Million yen	9,158	8,986	8,858	9,574	9,534
Annualized NCF yield (Notes 9 and 10)	%	4.2	4.1	4.0	4.2	4.0	
	Reference Information	Investment Properties Owned (Note 11)		62	63	63	65
Number of Tenants			747	757	760	851	857
Total Leasable Floor Space (Note 12)		m <sup>2</sup>	478,088.25	480,277.86	480,284.17	499,269.77	501,162.78
Occupancy Rate		%	99.2	98.6	99.6	99.7	99.3

(Note 1) Ordinary income / (total assets at beginning of period + total assets at end of period) / 2

(Note 2) Net income / (total unitholders' equity at beginning of period + total unitholders' equity at end of period) / 2

(Note 3) Total unitholders' equity at end of period / total assets at end of period x 100

(Note 4) Interest-bearing debts at end of period / total assets at end of period x 100

(Note 5) Net income before interest and amortization / interest expenses (including interest expenses on investment corporation bonds)

(Note 6) Income before income taxes - gain on sale of real estate + loss on sale of real estate + extraordinary loss + interest expenses (including interest expenses on investment corporation bonds) + depreciation

(Note 7) (Real estate rental revenues - real estate rental expenses) + depreciation

(Note 8) NOI from leasing - capital expenditures

(Note 9) Annualized NOI from leasing / property acquisition price (34th fiscal period: ¥435.05 billion, 35th fiscal period: ¥444.77 billion, 36th fiscal period: ¥439.52 billion, 37th fiscal period: ¥457.14 billion and 38th fiscal period: ¥468.54 billion)

Annualized NCF from leasing / property acquisition price

(Note 10) Annualization is based on 365 days for a year and calculated by using the following management days: 34th fiscal period: 184 days, 35th fiscal period: 181 days, 36th fiscal period: 184 days, 37th fiscal period: 182 days and 38th fiscal period: 184 days.

(Note 11) Properties acquired at multiple times are calculated as one property.

(Note 12) Total leasable floor space in this table indicates the contracted area.

(Note 13) Any ratio indicated on financial indices is rounded to the first decimal place (except for the dividend payout ratio, which is rounded down to the first decimal place).

## (2) 38th Fiscal Period Asset Management

### 1) Milestones of JPR

Japan Prime Realty Investment Corporation (JPR) was established on September 14, 2001 under the Act on Investment Trusts and Investment Corporations (hereafter, the Investment Trusts Act), and was listed on the Tokyo Stock Exchange Real Estate Investment Trust Section (securities code: 8955) on June 14, 2002 with 289,600 outstanding investment units. With the subsequently implemented public offerings and other capital raising measures by JPR, the number of investment units issued and outstanding totals 958,250 units as of the end of the 38th fiscal period (December 31, 2020). JPR has assigned the asset management of its portfolio to Tokyo Realty Investment Management, Inc. (hereafter, the Asset Manager), through which JPR aims to maximize unitholder value by efficiently managing the portfolio primarily comprising office properties and retail properties.

### 2) Management Environment

Looking at the Japanese economy in the 38th fiscal period, corporate earnings continued to drop sharply under the influence of the novel coronavirus infection (COVID-19), with employment also drifting on a weak note. Although exports increased and production showed a pickup, the domestic economy still remained in a difficult situation. The overseas economy also stayed in a severe situation due to the impact of COVID-19. With the COVID-19 infections expanding both in and outside Japan toward the end of the fiscal period under review, there are concerns about its negative impact on the economy.

#### The Office Property Leasing Market

The occupancy rate has been kept at a low level in the office property leasing market. Close attention must be paid, however, as the figure is rising for the moment due to the impact of COVID-19.

#### The Retail Property Leasing Market

Although a pickup was seen to take place gradually at urban retail properties which JPR targets for investment, the spread of COVID-19 infections expanded toward the end of the 38th fiscal period, causing concerns about negative impact mainly on restaurants and eateries.

#### The For-Sale Real Estate Market

In the for-sale real estate market, active transactions continued to take place against the backdrop of the recovery in the stock price and low interest rates, etc. Although investors' expected cap rate reflects their cautious attitude in some areas for hotels and urban retail properties that have been hard hit by COVID-19, blue-chip properties in which JPR targets to invest are still in short supply and, as investors both in and outside Japan show strong appetite to acquire them, low-yield transactions continue to prevail and the acquisition environment remains harsh. Accordingly, investors continue to look for ways to effectively acquire properties, such as diversifying the target assets for investment and conducting asset replacement.

### 3) Portfolio Management Status

#### Acquisition of New Properties and Asset Replacement

JPR investigates possible investments mainly in office properties in the Tokyo area, plus office properties in regional cities and retail properties, etc., with the primary aim of improving the quality of the portfolio and achieving stable growth of earnings while giving attention to balancing diversification of the portfolio, both in terms of location and asset type.

During the 38th fiscal period, JPR acquired Otemachi Financial City North Tower (acquisition price: 11,400 million yen) and sold 35% ownership interest of JPR Hakata Bldg. (sale price of the relevant ownership interest: 1,430 million yen), both in December 2020. Consequently, as of the end of December 2020, the balance of JPR's assets under management totaled 66 properties, or 467.5 billion yen on an acquisition price basis, with the total leasable floor space standing at 501,162 m<sup>2</sup> and the number of tenants at 857.

### Operational Management of Portfolio

In the office property leasing market in the 38th fiscal period, it was required to pay close attention to the impact of COVID-19, as stated in the Management Environment above. Under such circumstances, JPR endeavored to attract new tenants through strategic leasing activities and enhance the satisfaction of existing tenants by keeping close cooperation with property management companies and brokers, with an aim of securing stable earnings from the entire portfolio and its occupancy rate. As a result of these efforts, the occupancy rate at the end of the 38th fiscal period was kept at a high level, although it decreased 0.4 points period-on-period to 99.3%.

In terms of property management, based on JPR's brand concept A/3S (Amenity/Service, Safety and Save Energy), JPR continued to proactively implement value enhancement works based on tenant needs with an aim to create spaces where the workers feel satisfaction. As an endeavor to implement energy-saving measures, JPR conducted renovation of air-conditioning systems and replacement of lighting equipment with LED lamps, which are expected to be effective for the endeavor, at its multiple properties.

Moreover, as its initiatives on environmental issues, JPR has continuously obtained environmental certifications. As of December 31, 2020, JPR acquired the DBJ Green Building Certification\*1 for 14 properties and the CASBEE for Building Certification\*2 for 16 properties (including 6 newly certified properties). In addition, JPR acquired BELS\*3 certification for one of its properties. On top of these certifications JPR acquired, its endeavors on environmental issues were so acknowledged that it was designated as "Green Star" in the GRESB\*4 Real Estate Assessment for 2020, marking the seventh consecutive year of recognition with the highest ranking in the survey. JPR was also granted a higher rank of "5 Stars" in the GRESB Rating, which makes relative assessment based on total scores, for two consecutive years.

\*1 The DBJ Green Building Certification is a certification system to select superior real estate that meets the demand of the times by scoring buildings based on the scoring model originally developed by Development Bank of Japan Inc. Its purpose is to promote properties that are environmentally friendly, equipped to mitigate disaster and prevent crime, as well as meet the social requirements surrounding real estate from various stakeholders ("Green Buildings").

\*2 CASBEE, which stands for Comprehensive Assessment System for Built Environment Efficiency, is a system for comprehensively assessing the environmental performance of buildings. Efforts to develop and popularize the system in Japan are being made under the leadership of the Ministry of Land, Infrastructure, Transport and Tourism.

\*3 BELS is an abbreviation for Building-Housing Energy-efficiency Labeling System. It is a performance labeling system created for the purpose that a third-party organization accurately conducts the evaluation and indication of energy efficiency performance of non-residential buildings in accordance with the Assessment Guidelines on Energy Efficiency Performance of Non-residential Buildings (2013) established by the Ministry of Land, Infrastructure, Transport and Tourism.

\*4 GRESB is an annual benchmarking assessment to measure ESG (Environmental, Social and Governance) awareness of real estate companies and funds, as well as the name of organization which runs the assessment system. It was founded in 2009 primarily by major European pension fund groups. Of the survey subjects, GRESB Real Estate Assessment covers real estate companies and funds that are mainly engaged in managing existing properties.

### Fund Procurement

JPR endeavors on debt financing with an emphasis placed on lengthening the debt maturity and diversifying repayment dates, in an effort to make its financial base more solid and stronger against the backdrop of the favorable fund procurement environment and low interest rates.

JPR borrowed 20.5 billion yen to fund the refinance of interest-bearing debts that matured during the 38th fiscal period and the acquisition of a property. The average maturity of and the average interest on the new interest-bearing debts (excluding short-term debts) stood at 9.2 years and 0.54%, respectively, in contrast to 6.8 years and 0.96% for the relevant interest-bearing debts before refinancing.

As of the end of the 38th fiscal period, the balance of interest-bearing debts totaled 196.5 billion yen, with balance of borrowings of 164.0 billion yen and balance of investment corporation bonds of 32.5 billion yen. The ratio of interest-bearing debt to total assets (Note 1) was 40.6%, long-term and fixed interest-bearing debt ratio (Note 2) was 96.9%, average debt cost (Note 3) was 0.76% and average maturity (Note 4) was 4.6 years as of the end of the fiscal period.

Moreover, JPR established a commitment line with a credit limit of 24 billion yen with six financial institutions.

The following represents the issuer ratings for JPR as of the end of the 38th fiscal period.

### Details of Corporate Credit Ratings as of December 31, 2020

Credit Rating Agency	Corporate Credit Rating
Rating and Investment Information, Inc.	AA- (Stable)
S & P Global Ratings Japan Inc.	Long-term: A (Stable) Short-term: A-1

(Note 1) Ratio of interest-bearing debts to total assets: (balance of borrowings + balance of investment corporation bonds) / total assets

(Note 2) Long-term and fixed interest-bearing debt ratio: long-term, fixed-interest interest-bearing debts / total interest-bearing debts

(Note 3) Average debt cost: sum total of interest expenses, interest expenses on investment corporation bonds, borrowing expenses (excluding expenses for early repayment of borrowings and for commitment line agreements), amortization of investment corporation bond issuance costs and investment corporation bond management expenses, divided by the number of business days for each fiscal period and annualized by multiplying by 365 days / average balance of borrowings and investment corporation bonds for each fiscal period

(Note 4) Average maturity is arrived at by calculating a weighted average of maturities from the end of the 37th fiscal period to the repayment deadlines for all interest-bearing debts based on the balance of each interest-bearing debt.

### (3) Additional Offerings, etc.

The table below indicates additional offerings, etc. JPR has conducted in the last five years.

Date	Event	Number of Units Outstanding		Unitholders' Capital (millions of yen)		Remarks
		Variation	Balance	Variation	Balance	
January 24, 2017	Additional public offering	47,600	920,600	20,237	230,632	(Note 1)
February 14, 2017	Third-party allotment	2,400	923,000	1,020	231,653	(Note 2)
March 3, 2020	Additional public offering	35,250	958,250	16,207	247,860	(Note 3)

(Note 1) New investment units were issued through a public offering at 439,040 yen per unit (underwriting price of 425,152 yen per unit) to fund acquisition of new specific assets and partly repay debts.

(Note 2) New investment units were issued through a third-party allotment at 425,152 yen per unit to fund acquisition of new specific assets and partly repay debts.

(Note 3) New investment units were issued through a public offering at 474,810 yen per unit (underwriting price of 459,790 yen per unit) to fund acquisition of new specified assets and partly repay debt.

### (4) Cash Distributions

With regard to the cash distributions of the 38th fiscal period, JPR decided to distribute part of the retained earnings brought forward that had been internally reserved through the 37th fiscal period, 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. JPR also decided to internally reserve 414 million yen as reserve for reduction entry from the unappropriated retained earnings, in application of the Special Provisions for Taxation in Cases of Repurchase of Specified Assets (Article 65-7 of the Act on Special Measures Concerning Taxation). As a result, the cash distribution per unit came to 7,750 yen for the 38th fiscal period.

(Thousands of yen unless otherwise indicated)

Fiscal Period	34th Fiscal Period (Jul. 1, 2018 – Dec. 31, 2018)	35th Fiscal Period (Jan. 1, 2019 - Jun. 30, 2019)	36th Fiscal Period (Jul. 1, 2019 - Dec. 31, 2019)	37th Fiscal Period (Jan. 1, 2020 – Jun. 30, 2020)	38th Fiscal Period (Jul. 1, 2020 - Dec. 31, 2020)	
Unappropriated Retained Earnings at End of Period	6,774,889	7,229,214	6,926,967	7,287,774	7,849,585	
Internal Reserves	12,991	417,474	10,928	9,865	423,148	
Total Cash Distributions	6,761,898	6,811,740	6,916,039	7,277,908	7,426,437	
(Cash Distribution per Unit)	(7,326 yen)	(7,380 yen)	(7,493 yen)	(7,595 yen)	(7,750 yen)	
Breakdown	Total Cash Distributions from Net Income	6,761,898	6,811,740	6,916,039	7,277,908	7,426,437
	(Cash distribution from net income per unit)	(7,326 yen)	(7,380 yen)	(7,493 yen)	(7,595 yen)	(7,750 yen)
	Repayment of Paid-in Capital	–	–	–	–	–
	(Repayment of paid-in capital per unit)	(- yen)	(- yen)	(- yen)	(- yen)	(- yen)
Of the repayment of paid-in capital, total cash distributions from the reserve for temporary difference adjustments	–	–	–	–	–	
(Of the repayment of paid-in capital per unit, distribution per unit from the reserve for temporary difference adjustments)	(- yen)	(- yen)	(- yen)	(- yen)	(- yen)	
Of the repayment of paid-in capital, total cash distributions through the reduction in unitholders' capital for tax purposes	–	–	–	–	–	
(Of the repayment of paid-in capital per unit, distribution per unit through the reduction in unitholders' capital for tax purposes)	(- yen)	(- yen)	(- yen)	(- yen)	(- yen)	

## (5) Future Management Policies and Vital Issues

Looking ahead, with the economy both in and outside Japan still remaining in a severe situation, attention should be paid to the COVID-19 trends, including the Japanese government again declaring a state of emergency, and the impacts of fluctuations in the financial and capital markets, among other factors.

In the office property leasing market, although leasing of newly-constructed buildings supplied in 2020 remained steady, the impact of the spread of COVID-19 is expected to linger for a long time, raising concerns about the influence it will give on the office market conditions. In this regard, JPR is resolved to continue its endeavors to enhance the competitiveness of its owned properties, as it has focused on improving tenant satisfaction through proactive implementation of value enhancement works and provision of elaborate management services.

In the for-sale real estate market, it has become even more important to discern the growth potential in earnings of respective properties, while continuously taking into account the impact of COVID-19 on the leasing market. Although the downward trend of cap rates that has continued to date is coming to a stop, the low interest rate and low yield environment will be maintained, in which it is required to firmly keep the attitude of vigorously selective investment for implementing real estate investment that assumes possession of properties over the medium to long term.

### 1) Acquisition of New Properties and Asset Replacement

JPR will continue to make investment focused on the Tokyo office properties, with an aim to improve the quality of its portfolio and enhance its growth potential and stability over the long term. In the for-sale office property market, the purchase cap rate and expected cap rate levels still stay low, with properties remaining in short supply. Going forward, although close attention must continuously be paid to the impact of COVID-19, etc., JPR will fully investigate the stability and growth potential of candidate properties when acquiring them. As for retail properties, etc., JPR will work to invest in strictly selected blue-chip properties that can keep stable revenues at a certain level in order to complement the stability of earnings from the entire portfolio. In doing so, JPR will have to make more prudent investigations, paying close attention to the sales trends, etc. of such properties under the influence of the spread of COVID-19. JPR will continue its endeavors to acquire new properties under reasonable terms by negotiating prices based on detailed market studies and property due diligence.

Moreover, JPR will continue to make investment decisions after a proactive collection of information through such sources as sponsors of TRIM (Tokyo Tatemono Co., Ltd., Yasuda Real Estate Co., Ltd., Taisei Corporation and Meiji Yasuda Life Insurance Company), accurately following market trends and carefully researching investment value, including the future potential of candidate properties.

Furthermore, JPR will also investigate asset replacement by taking into consideration the timing of implementation, in order to improve the quality of its portfolio and enhance its growth potential over a long term.

### 2) Management of Portfolio

JPR will aim to secure stable earnings over a medium to long term by working to prevent move-outs of existing tenants, encourage them to expand office spaces in the same buildings and renew contracts with upward revision of rents through endeavors to enhance tenant satisfaction, while continuously inviting new tenants through strategic leasing activities. Specifically, JPR will conduct management and operations based on the following policies:

- Strengthen coordination with property management companies and respective tenant brokers
- Propose leasing terms and conditions in consideration of the current leasing market situations and promote rapid decision making
- Conduct strategic value enhancement works with intent to improve property earnings and increase tenant satisfaction
- Reinforce promotion of energy efficiency as well as responses to business continuity plans and environmental friendliness that command high social request
- Conduct renovations to enhance energy-saving performance of the properties by utilizing the government's subsidy programs

### 3) Fund Procurement

In accordance with its basic policy of implementing conservative financial operations that focus on stability, JPR will remain engaged in conservative leverage control, targeting to basically keep the ratio of interest-bearing debts to total assets at up to 50%. In debt financing, JPR will endeavor to further lengthen the maturity with a focus on stability in an effort to diversify the repayment dates and reduce the repayment amount for each fiscal period, with an eye on reducing refinancing risks that may arise in accordance with future changes in the financial environment. Moreover, JPR intends to work on fund procurement through issuance of investment corporation bonds as it aims to diversify fund procurement means and sources.

## (6) Information Disclosure

Positioning the proactive voluntary disclosure of information as one of its key management policies, JPR voluntarily discloses information believed to be useful to investment decisions, along with the information disclosure required by the Tokyo Stock Exchange and set forth by laws and regulations, etc. As a means for implementing voluntary disclosure, JPR is proactively employing its website (<http://www.jpr-reit.co.jp/en/>) to provide information including monthly occupancy rates of all properties in the portfolio and historical data, offer expanded information on sustainability and deliver video presentation on financial results sessions for securities analysts.

## (7) Significant Subsequent Events

### Issuance of unsecured investment corporation bonds

Based on the comprehensive resolution concerning the issuance of investment corporation bonds made at its Board of Directors meeting held on April 23, 2020, JPR decided on March 5, 2021 to issue bonds as described below. The payment completed on March 16, 2021.

Name of the investment corporation bonds	Japan Prime Realty Investment Corporation 26th Series of Unsecured Investment Corporation Bonds (with special pari passu conditions among specified investment corporation bonds)		
Total amount of the investment corporation bonds	3.0 billion yen	Subscription period	March 5, 2021
Interest rate	0.760% per annum	Payment date	March 16, 2021
Collateral	Unsecured and unguaranteed	Purchase price	100 yen per 100 yen of the investment corporation bonds
Redemption method and date	The total amount of the bonds will be redeemed on March 14, 2036. The bonds may be repurchased and cancelled at the option of JPR at any time on and after the day following the payment date, unless otherwise determined by the book-entry transfer agent.		
Use of funds	Partial early repayment of short-term loans payable		

<Reference Information>

### Property Sale

JPR concluded a sale agreement regarding the following property on December 22, 2020.

<JPR Hakata Bldg. (65.0% co-ownership interest) >

Asset type:	Beneficiary interest
Sale price:	2,665 million yen
Contract date:	December 22, 2020
Delivery date:	March 29, 2021 (planned)
Buyer:	Tokyo Tatemono Co., Ltd.
Impact on operating results:	JPR plans to record approximately 784 million yen in gain on sale of real estate as operating revenue for the 39th fiscal period ending June 2021 (January 1, 2021 – June 30, 2021).

## 2. Overview of the Investment Corporation

### (1) Unitholders' Capital

	34th Fiscal Period as of December 31, 2018	35th Fiscal Period as of June 30, 2019	36th Fiscal Period as of December 31, 2019	37th Fiscal Period as of June 30, 2020	38th Fiscal Period as of December 31, 2020
Total number of authorized units	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Total number of units issued and outstanding	923,000	923,000	923,000	958,250	958,250
Unitholders' capital (millions of yen)	231,653	231,653	231,653	247,860	247,860
Total number of unitholders	11,050	10,376	9,841	11,085	10,946

## (2) Matters Related to Investment Units (Primary Investors)

The following table shows the ten largest investors according to the percentage of their owned investment units to the total number of investment units outstanding as of the end of the 38th fiscal period.

Name	Address	Number of Owned Units	Percentage of Total Units Outstanding (%)
Custody Bank of Japan, Ltd. (Trust Account)	1-8-12 Harumi, Chuo-ku, Tokyo	238,062	24.84
The Master Trust Bank of Japan, Ltd. (Trust Account)	2-11-3 Hamamatsucho, Minato-ku, Tokyo	147,160	15.35
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	2-2-2 Otemachi, Chiyoda-ku, Tokyo	42,363	4.42
Custody Bank of Japan, Ltd. (Securities Investment Trust Account)	1-8-12 Harumi, Chuo-ku, Tokyo	33,021	3.44
Tokyo Tatemono Co., Ltd.	1-4-16 Yaesu, Chuo-ku, Tokyo	29,300	3.05
Kawasaki Gakuen	577 Matsushima, Kurashiki-shi, Okayama	25,000	2.60
Meiji Yasuda Life Insurance Company	2-1-1 Marunouchi, Chiyoda-ku, Tokyo	24,000	2.50
SSBTC CLIENT OMNIBUS ACCOUNT (Standing proxy: Custody Services Department, Tokyo Branch, The Hongkong and Shanghai Banking Corporation Limited)	One Lincoln Street, Boston, MA 02111, U.S.A. (3-11-1 Nihonbashi, Chuo-ku, Tokyo)	15,230	1.58
Japan Securities Finance Co., Ltd.	1-2-10 Nihonbashi-Kayabacho, Chuo-ku, Tokyo	12,980	1.35
State Street Bank West Client Treaty 505234 (Standing Proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.)	1776 Heritage Drive, North Quincy, MA 02171, U.S.A. (Shinagawa Intercity Building A, 2-15-1 Konan, Minato-ku, Tokyo)	11,519	1.20
<b>Total</b>		<b>578,635</b>	<b>60.38</b>

(Note) Percentage of total units outstanding is rounded down to the second decimal place.

## (3) Items Related to Directors

A. The Executive Officer, Supervising Officers and Independent Auditors as of the end of the 38th fiscal period are as follows.

Position	Name	Other Current Assignments	Total Directors' Fee during the 38th Fiscal Period (thousands of yen)	Number of Owned Units
Executive Officer	Yoshihiro Jozaki	President and Chief Executive Officer, Tokyo Realty Investment Management, Inc.	– (Note 3)	–
Supervising Officers (Note 1)	Masato Denawa	Partner Attorney, Spring Partners	4,200	–
	Nobuhisa Kusanagi	Group Representative Partner of GYOSEI Certified Public Tax & Accountants' Co. Representative, Nobuhisa Kusanagi Certified Public Accountant Office		–
Independent Auditor (Note 2)	EY ShinNihon LLC	–	16,500	–

(Note 1) Supervising officers may be directors of corporations other than those indicated above, but have no conflict of interest with JPR at those and the above positions.

(Note 2) The independent auditor fees include fees regarding auditing of JPR's English financial statements and fees regarding preparation of comfort letters for issuance of investment corporation bonds.

(Note 3) Yoshihiro Jozaki, Executive Officer, does not receive any compensation from JPR.

B. Policy on Dismissing and Deciding Not to Reappoint the Independent Auditor

The dismissal of independent auditors shall be considered in accordance with the designations of the Investment Trusts Act. The decision to not reappoint the auditor shall be studied at JPR's Board of Directors Meetings following comprehensive consideration of circumstances including audit quality, audit fee and other various conditions.

## (4) Asset Manager, Asset Custodian and Administrative Agent

The asset manager, asset custodian and administrative agents of JPR at the end of the 38th fiscal period are as follows.

Outsourcing Category	Name
Asset manager	Tokyo Realty Investment Management, Inc.
Asset custodian	Mizuho Trust & Banking Co., Ltd.
Administrative agent (administration, etc. concerning unitholders' list, etc.)	Mizuho Trust & Banking Co., Ltd.
Administrative agent (administration concerning investment corporation bonds)	Mizuho Bank, Ltd.

## 3. Status of JPR's Assets Under Management

### (1) JPR's Asset Structure

Asset Type	Area	37th Fiscal Period (as of June 30, 2020)		38th Fiscal Period (as of December 31, 2020)	
		Assets owned by JPR (thousands of yen)	Percentage of total assets (%)	Assets owned by JPR (thousands of yen)	Percentage of total assets (%)
Real estate	Central Tokyo	86,819,253	18.3	98,288,046	20.3
	Greater Tokyo	73,502,522	15.5	73,476,558	15.2
	Other Cities	19,931,527	4.2	19,900,135	4.1
Real estate in trust	Central Tokyo	155,957,161	33.0	155,950,245	32.2
	Greater Tokyo	49,682,380	10.5	49,471,060	10.2
	Other Cities	45,732,351	9.7	44,672,408	9.2
Deposits and other assets	–	41,561,611 (–)	8.8 (–)	42,815,071 (–)	8.8 (–)
<b>Total assets</b>	–	<b>473,186,809 (431,625,198)</b>	<b>100.0 (91.2)</b>	<b>484,573,526 (441,758,455)</b>	<b>100.0 (91.2)</b>

(Note 1) Assets owned by JPR are based on the amounts appropriated on the balance sheets as of the end of the fiscal periods (book values after depreciation for real estate and real estate in trust).

(Note 2) Figures in parenthesis are portions that practically fall on real estate owned in the object assets.

### (2) Major Assets Owned by JPR

The following is an overview of the major assets (ten largest properties by book value at end of period) owned by JPR as of the end of the 38th fiscal period.

Property Name	Book Value (thousands of yen)	Leasable Floor Space (m <sup>2</sup> )	Leased Floor Space (m <sup>2</sup> )	Occupancy Rate (%)	Rate of Monthly Contracted Rent at End of Period (%)	Asset Class
Otemachi Tower (Land with Leasehold Interest)	38,388,259	11,034.78	11,034.78	100.0	11.4	Office
Olinas Tower	26,247,942	23,987.40	23,987.40	100.0	6.1	Office
Shinjuku Center Bldg.	22,110,542	8,865.71	8,688.66	98.0	3.2	Office
Tokyo Square Garden	18,414,651	5,971.73	5,971.73	100.0	2.6	Office
BYGS Shinjuku Bldg.	15,276,000	15,227.80	14,966.94	98.3	3.7	Office
JPR Sendagaya Bldg.	14,743,045	6,177.74	6,177.74	100.0	1.8	Office
Kanematsu Bldg.	14,573,705	8,090.42	8,090.42	100.0	2.5	Office
Sencity Bldg.	13,965,858	13,271.20	13,271.20	100.0	2.9	Office
Shinjuku Square Tower	13,051,449	19,266.38	18,781.48	97.5	2.7	Office
Kawasaki Dice Bldg.	13,002,603	12,106.71	12,106.71	100.0	2.6	Retail, etc.
<b>Total</b>	<b>189,774,060</b>	<b>123,999.87</b>	<b>123,077.06</b>	<b>99.3</b>	<b>39.4</b>	

(Note 1) Rate of monthly contracted rent at end of period is the rate arrived at by dividing the monthly contracted rent at end of period for each property by the total rents for all properties.

(Note 2) The tenants of Shinjuku Center Bldg., Tokyo Square Garden, Sencity Bldg., Shinjuku Square Tower and Kawasaki Dice Bldg. have sublet space to a sub-lessee and a lease agreement has been executed where the rent paid by the tenant fluctuates in accordance with the lease conditions of the sub-lessee. Therefore, the leasable floor space, leased floor space and occupancy rate entered for each of these buildings are the figures concerning the sub-lessees of the tenant.

### (3) Itemized Portfolio Assets

The following table provides an overview of the real estate properties and beneficiary interests in real estate owned by JPR as of the end of the 38th fiscal period (December 31, 2020).

Area	Type	Property Name	Location	Form of Ownership	Book Value as of December 31, 2020 (thousands of yen)	Appraisal Value as of December 31, 2020 (thousands of yen) (Note)
Central Tokyo	Office	Kanematsu Bldg.	14-1 Kyobashi 2-chome, Chuo-ku, Tokyo	Beneficiary interest	14,573,705	14,900,000
		Kanematsu Bldg. Annex	17-5 Kyobashi 2-chome, Chuo-ku, Tokyo	Beneficiary interest	2,406,533	3,520,000
		JPR Ningyo-cho Bldg.	17-4 Nihonbashi Ningyocho 1-chome, Chuo-ku, Tokyo	Beneficiary interest	2,130,166	2,900,000
		Shin-Kojimachi Bldg.	3-3 Kojimachi 4-chome, Chiyoda-ku, Tokyo	Beneficiary interest	2,415,757	4,270,000
		JPR Crest Takebashi Bldg.	21-4, etc., Kanda-Nishikicho 3-chome, Chiyoda-ku, Tokyo	Beneficiary interest	3,206,536	3,780,000
		MS Shibaura Bldg.	13-23 Shibaura 4-chome, Minato-ku, Tokyo	Beneficiary interest	10,855,231	15,300,000
		Gotanda First Bldg.	8-1 Nishi-Gotanda 2-chome, Shinagawa-ku, Tokyo	Beneficiary interest	2,993,967	4,170,000
		JPR Ichigaya Bldg.	7-15 Kudan-Minami 4-chome, Chiyoda-ku, Tokyo	Beneficiary interest	5,292,146	4,850,000
		Oval Court Ohsaki Mark West	17-1 Higashi-Gotanda 2-chome, Shinagawa-ku, Tokyo	Beneficiary interest	2,752,803	5,430,000
		Shinjuku Square Tower	22-1 Nishi-Shinjuku 6-chome, Shinjuku-ku, Tokyo	Beneficiary interest	13,051,449	14,700,000
		BYGS Shinjuku Bldg.	19-1 Shinjuku 2-chome, Shinjuku-ku, Tokyo	Real estate	15,276,000	20,000,000
		Across Shinkawa Bldg. Annex	16-14 Shinkawa 1-chome, Chuo-ku, Tokyo	Real estate	569,809	779,000
		Shinjuku Center Bldg.	25-1 Nishi-Shinjuku 1-chome, Shinjuku-ku, Tokyo	Real estate	22,110,542	17,900,000
		Minami Azabu Bldg.	12-3 Minami-Azabu 2-chome, Minato-ku, Tokyo	Real estate	3,794,937	3,160,000
		Shinagawa Canal Bldg.	12-33 Konan 2-chome, Minato-ku, Tokyo	Real estate	1,881,579	2,410,000
		Rokubancho Bldg.	2-9, etc., Rokubancho, Chiyoda-ku, Tokyo	Real estate	2,901,232	3,500,000
		JPR Harajuku Bldg.	17-11 Jingumae 6-chome, Shibuya-ku, Tokyo	Beneficiary interest	8,782,636	10,500,000
	JPR Nihonbashi-horidome Bldg.	11-12 Nihonbashi-Horidomecho 1-chome, Chuo-ku, Tokyo	Beneficiary interest	4,854,471	6,840,000	
	JPR Sendagaya Bldg.	23-5 Sendagaya 4-chome, Shibuya-ku, Tokyo	Real estate	14,743,045	11,900,000	
	Ginza Sanwa Bldg.	6-1 Ginza 4-chome, Chuo-ku, Tokyo	Real estate	3,681,343	3,690,000	
	Otemachi Tower (Land with Leasehold Interest)	6-6, etc., Otemachi 1-chome, Chiyoda-ku, Tokyo	Beneficiary interest	38,388,259	51,800,000	
	Science Plaza-Yonbancho Plaza	9-6, etc., Yonbancho, Chiyoda-ku, Tokyo	Beneficiary interest	2,775,212	3,310,000	
	Shibadai Center Bldg.	10-11 Shibadai 1-chome, Minato-ku, Tokyo	Beneficiary interest	4,175,284	6,180,000	
	Tokyo Square Garden	1-1 Kyobashi 3-chome, Chuo-ku, Tokyo	Beneficiary interest	18,414,651	21,300,000	
	JPR Kojimachi Bldg.	6-1 Kojimachi 5-chome, Chiyoda-ku, Tokyo	Real estate	5,817,696	6,440,000	
	Otemachi Financial City North Tower	9-5, Otemachi 1-chome, Chiyoda-ku, Tokyo	Real estate	11,536,698	11,900,000	
	Retail, etc.	JPR Shibuya Tower Records Bldg.	22-14 Jinnan 1-chome, Shibuya-ku, Tokyo	Beneficiary interest	11,425,636	14,100,000
		JPR Jingumae 432	32-13 Jingumae 4-chome, Shibuya-ku, Tokyo	Beneficiary interest	4,266,535	4,250,000
		Shinjuku Sancho East Bldg.	1-26, Shinjuku 3-chome, Shinjuku-ku, Tokyo	Real estate	2,551,837	2,710,000
		Yurakucho Ekimae Bldg. (Yurakucho Itocia)	7-1 Yurakucho 2-chome, Chiyoda-ku, Tokyo	Real estate	3,278,071	3,260,000
		JPR Ginza Namiki-dori Bldg.	5-14 Ginza 5-chome, Chuo-ku, Tokyo	Real estate	10,145,250	11,000,000
		FUNDES Suidobashi	20-8 Kanda Misakicho 2-chome, Chiyoda-ku, Tokyo	Beneficiary interest	3,189,258	3,480,000
	Greater Tokyo	Office	Arca East	2-1 Kinshi 3-chome, Sumida-ku, Tokyo	Beneficiary interest	4,194,598
JPR Chiba Bldg.			1-7, etc., Shinmachi, Chuo-ku, Chiba, Chiba	Beneficiary interest	2,190,362	1,820,000
JPR Yokohama Nihon Odori Bldg.			17 Nihon-Odori, Naka-ku, Yokohama, Kanagawa	Beneficiary interest	2,369,771	2,340,000
Shinyokohama 2nd Center Bldg.			19-5, etc., Shinyokohama 3-chome, Kohoku-ku, Yokohama, Kanagawa	Beneficiary interest	1,409,999	2,350,000
Kawaguchi Center Bldg.			1-8 Honcho 4-chome, Kawaguchi, Saitama	Beneficiary interest	7,277,734	10,000,000
JPR Ueno East Bldg.			3-5 Matsugaya 1-chome, Taito-ku, Tokyo	Real estate	2,898,989	5,400,000
Tachikawa Business Center Bldg.			38-5 Akebonocho 2-chome, Tachikawa, Tokyo	Beneficiary interest	2,883,259	4,470,000
Rise Arena Bldg.			5-2 Higashi-Ikebukuro 4-chome, Toshima-ku, Tokyo	Real estate	5,122,389	9,890,000
Yume-ooka Office Tower			6-1 Kamiooka Nishi 1-chome, Konan-ku, Yokohama, Kanagawa	Real estate	5,236,821	7,220,000

Area	Type	Property Name	Location	Form of Ownership	Book Value as of December 31, 2020 (thousands of yen)	Appraisal Value as of December 31, 2020 (thousands of yen) (Note)	
Greater Tokyo	Office	Olinas Tower	1-3 Taihei 4-chome, Sumida-ku, Tokyo	Real estate	26,247,942	40,100,000	
		JPR Yokohama Bldg.	5-10 Kitasaiwai 1-chome, Nishi-ku, Yokohama, Kanagawa	Real estate	7,455,482	9,720,000	
		Omiya Prime East	1-1, etc., Shimocho 2-chome, Omiya-ku, Saitama, Saitama	Beneficiary interest	5,589,647	9,660,000	
		Sencity Bldg.	1000, etc., Shinmachi, Chuo-ku, Chiba-shi, Chiba,	Real estate	13,965,858	14,500,000	
	Retail, etc.	Tanashi ASTA	1-1 Tanashicho 2-chome, Nishitokyo, Tokyo	Beneficiary interest	7,062,826	11,000,000	
		Cupo-la Main Bldg.	1-1 Kawaguchi 1-chome, Kawaguchi, Saitama	Real estate	1,608,202	2,970,000	
		JPR Musashikosugi Bldg.	420-1, etc., Kosugimachi 3-chome, Nakahara-ku, Kawasaki, Kanagawa	Real estate	7,158,887	5,540,000	
		Musashiurawa Shopping Square	3-1 Bessho 7-chome, Saitama, Saitama	Beneficiary interest	3,490,256	4,300,000	
		Kawasaki Dice Bldg.	8-3, etc., Ekimae-Honcho, Kawasaki, Kanagawa	Beneficiary interest	13,002,603	16,300,000	
		FUNDES Ueno	2-4 Ueno 7-chome, Taito-ku, Tokyo	Real estate	3,781,985	4,000,000	
		Other Cities	Office	Niigata Ekinan Center Bldg.	24 Yoneyama 1-chome, Chuo-ku, Niigata, Niigata	Beneficiary interest	1,577,062
	Tokyo Tatemono Honmachi Bldg.			4-8 Honmachi 3-chome, Chuo-ku, Osaka, Osaka	Beneficiary interest	4,392,532	3,610,000
	JPR Hakata Bldg.			4-4 Hakataeki-mae 1-chome, Hakata-ku, Fukuoka, Fukuoka	Beneficiary interest	1,878,409	2,580,000
	JPR Naha Bldg.			1-19 Matsuyama 1-chome, Naha, Okinawa	Beneficiary interest	1,660,008	2,170,000
Sompo Japan Sendai Bldg.	7-35 Tsutsujigaoka 3-chome, Miyagino-ku, Sendai, Miyagi			Beneficiary interest	2,318,965	4,680,000	
Sompo Japan Wakayama Bldg.	31-1, etc., Misonocho 3-chome, Wakayama, Wakayama			Beneficiary interest	1,302,037	1,660,000	
Tenjin 121 Bldg.	3-38 Tenjin 1-chome, Chuo-ku, Fukuoka, Fukuoka			Beneficiary interest	2,008,690	3,680,000	
JPR Dojima Bldg.	1-23 Sonezaki-Shinchi 2-chome, Kita-ku, Osaka, Osaka			Beneficiary interest	2,114,034	3,560,000	
JPR Nagoya Fushimi Bldg.	24-15 Sakae 1-chome, Naka-ku, Nagoya, Aichi			Real estate	3,824,912	3,370,000	
Yakuin Business Garden	1-1 Yakuin 1-chome, Chuo-ku, Fukuoka, Fukuoka			Real estate	9,999,197	20,600,000	
JPR Shinsaibashi Bldg.	2-11 Minami-Senba 4-chome, Chuo-ku, Osaka, Osaka		Beneficiary interest	5,159,090	4,650,000		
JPR Shinsaibashi West	11-28 Minamisemba 4 chome, Chuo-ku, Osaka		Beneficiary interest	3,779,072	4,180,000		
Retail, etc.	JPR Umeda Loft Bldg.		16-7 Chayamachi, Kita-ku, Osaka, Osaka	Beneficiary interest	12,488,466	14,200,000	
	Housing Design Center Kobe		2-2 Higashi-Kawasakicho 1-chome, Chuo-ku, Kobe, Hyogo	Real estate	6,076,026	7,640,000	
	JPR Chayamachi Bldg.	2-19 Chayamachi, Kita-ku, Osaka, Osaka	Beneficiary interest	5,994,037	8,370,000		
	<b>Total</b>				<b>441,758,455</b>	<b>549,949,000</b>	

(Note) The appraisal values at end of period are either appraisal values or survey values by real estate appraisers, based on the Cabinet Office Order on "Regulations on calculations of investment corporations."

The following table provides changes in rental business results for each of JPR's real estate properties and beneficiary interests in real estate.

Area	Type	Property Name	37th Fiscal Period (from Jan. 1, 2020 to Jun. 30, 2020)				38th Fiscal Period (from Jul. 1, 2020 to Dec. 31, 2020)				
			Number of Tenants at Period End (Note 1)	Occupancy Rate at Period End (%)	Rental Revenues throughout Period (thousands of yen)	Ratio to Total Rental Revenues (%)	Number of Tenants at Period End (Note 1)	Occupancy Rate at Period End (%)	Rental Revenues throughout Period (thousands of yen)	Ratio to Total Rental Revenues (%)	
Central Tokyo	Office	Kanematsu Bldg.	11	100.0	422,109	2.6	11	100.0	404,014	2.4	
		Kanematsu Bldg. Annex	1	100.0	(Note 2)	(Note 2)	1	100.0	(Note 2)	(Note 2)	
		JPR Ningyo-cho Bldg.	5	100.0	94,182	0.6	5	100.0	94,479	0.6	
		Shin-Kojimachi Bldg.	17	100.0	117,301	0.7	17	100.0	118,937	0.7	
		JPR Crest Takebashi Bldg.	8	100.0	124,016	0.8	8	100.0	127,538	0.8	
		MS Shibaura Bldg.	10	100.0	469,469	2.9	10	100.0	488,434	2.9	
		Gotanda First Bldg.	2	100.0	133,583	0.8	2	100.0	134,832	0.8	
		JPR Ichigaya Bldg.	10	100.0	156,057	1.0	10	100.0	157,568	0.9	
		Oval Court Ohsaki Mark West	2	100.0	203,274	1.2	2	100.0	204,464	1.2	
		Shinjuku Square Tower	23	100.0	432,507	2.6	22	97.5	432,789	2.6	
		BYGS Shinjuku Bldg.	23	99.6	615,956	3.8	22	98.3	624,120	3.7	
		Across Shinkawa Bldg. Annex	4	100.0	37,241	0.2	4	100.0	37,214	0.2	
		Shinjuku Center Bldg.	35	98.0	526,427	3.2	36	98.0	536,263	3.2	
		Minami Azabu Bldg.	1	100.0	(Note 2)	(Note 2)	1	100.0	(Note 2)	(Note 2)	
		Shinagawa Canal Bldg.	6	100.0	73,946	0.5	6	100.0	74,225	0.4	
		Rokubancho Bldg.	1	100.0	(Note 2)	(Note 2)	1	100.0	(Note 2)	(Note 2)	
		JPR Harajuku Bldg.	9	100.0	305,014	1.9	9	100.0	307,999	1.8	
		JPR Nihonbashi-horidome Bldg.	5	100.0	188,907	1.2	5	100.0	190,859	1.1	
		JPR Sendagaya Bldg.	7	100.0	297,727	1.8	6	100.0	271,080	1.6	
		Ginza Sanwa Bldg.	9	100.0	117,673	0.7	8	92.0	109,691	0.7	
		Otemachi Tower (Land with Leasehold Interest)	2	100.0	1,783,500	10.9	2	100.0	1,793,000	10.7	
		Science Plaza-Yonbancho Plaza	25	100.0	117,366	0.7	25	100.0	116,731	0.7	
		Shibadaimon Center Bldg.	9	100.0	188,508	1.2	8	84.3	186,315	1.1	
		Tokyo Square Garden	45	99.3	421,164	2.6	46	100.0	396,152	2.4	
	JPR Kojimachi Bldg.	6	100.0	151,792	0.9	6	100.0	154,583	0.9		
	Otemachi Financial City North Tower	—	—	—	—	9	97.5	17,960	0.1		
	Retail, etc.	JPR Shibuya Tower Records Bldg.	1	100.0	(Note 2)	(Note 2)	1	100.0	(Note 2)	(Note 2)	
		JPR Jingumae 432	7	100.0	84,640	0.5	7	100.0	87,086	0.5	
		Shinjuku Sanchome East Bldg.	1	100.0	(Note 2)	(Note 2)	1	100.0	(Note 2)	(Note 2)	
		Yurakucho Ekimae Bldg. (Yurakucho Itocia)	1	100.0	(Note 2)	(Note 2)	1	100.0	(Note 2)	(Note 2)	
Greater Tokyo	Office	JPR Ginza Namiki-dori Bldg.	9	100.0	200,662	1.2	9	100.0	210,970	1.3	
		FUNDES Suidobashi	6	100.0	81,695	0.5	5	87.2	87,803	0.5	
		Arca East	6	100.0	265,400	1.6	6	100.0	272,083	1.6	
		JPR Chiba Bldg.	38	97.6	132,712	0.8	39	97.6	139,250	0.8	
		JPR Yokohama Nihon Odori Bldg.	18	100.0	127,852	0.8	19	100.0	131,099	0.8	
		Shinyokohama 2nd Center Bldg.	21	100.0	108,539	0.7	20	96.9	109,683	0.7	
		Kawaguchi Center Bldg.	44	100.0	455,020	2.8	44	100.0	472,480	2.8	
		JPR Ueno East Bldg.	10	100.0	177,964	1.1	10	100.0	182,630	1.1	
		Tachikawa Business Center Bldg.	24	100.0	151,894	0.9	23	100.0	154,558	0.9	
		Rise Arena Bldg.	1	100.0	(Note 2)	(Note 2)	1	100.0	(Note 2)	(Note 2)	
		Yume-ooka Office Tower	43	99.1	332,156	2.0	43	100.0	352,492	2.1	
		Olinas Tower	16	100.0	1,030,176	6.3	16	100.0	1,029,571	6.2	
		JPR Yokohama Bldg.	22	100.0	290,377	1.8	21	98.7	294,517	1.8	
		Omiya Prime East	4	100.0	282,934	1.7	4	100.0	293,872	1.8	
		Sencity Bldg.	71	99.7	249,530	1.5	72	100.0	516,454	3.1	
		Retail, etc.	Tanashi ASTA	1	100.0	(Note 2)	(Note 2)	1	100.0	(Note 2)	(Note 2)
	Cupo-la Main Bldg.		1	100.0	(Note 2)	(Note 2)	1	100.0	(Note 2)	(Note 2)	
	JPR Musashikosugi Bldg.		1	100.0	(Note 2)	(Note 2)	1	100.0	(Note 2)	(Note 2)	
	Musashiurawa Shopping Square		3	100.0	127,041	0.8	3	100.0	127,041	0.8	
	Other Cities	Office	Kawasaki Dice Bldg.	31	100.0	435,792	2.7	31	100.0	511,164	3.1
FUNDES Ueno			10	100.0	104,082	0.6	10	100.0	119,213	0.7	
Niigata Ekinan Center Bldg.			10	100.0	125,004	0.8	10	100.0	123,857	0.7	
JPR Honmachi Bldg.			8	94.3	151,990	0.9	8	94.3	153,332	0.9	
JPR Hakata Bldg.			41	97.9	171,898	1.1	41	98.9	173,319	1.0	
JPR Naha Bldg.			20	97.9	108,668	0.7	20	97.9	112,129	0.7	
Sompo Japan Sendai Bldg.			15	99.7	188,587	1.2	15	99.7	193,190	1.2	
Sompo Japan Wakayama Bldg.			16	98.3	111,133	0.7	17	100.0	108,818	0.7	
Tenjin 121 Bldg.			15	100.0	119,748	0.7	15	100.0	124,999	0.7	
JPR Dojima Bldg.			11	92.1	132,062	0.8	11	92.1	125,481	0.8	
JPR Nagoya Fushimi Bldg.			5	99.5	152,871	0.9	5	99.5	154,214	0.9	
Yakuin Business Garden			15	99.9	553,792	3.4	15	99.9	581,125	3.5	
JPR Shinsaibashi Bldg.			9	100.0	132,847	0.8	9	100.0	131,809	0.8	
JPR Shinsaibashi West			13	99.9	111,619	0.7	13	99.9	138,004	0.8	
Retail, etc.			JPR Umeda Loft Bldg.	1	100.0	(Note 2)	(Note 2)	1	100.0	(Note 2)	(Note 2)
			Housing Design Center Kobe	1	100.0	(Note 2)	(Note 2)	1	100.0	(Note 2)	(Note 2)
		JPR Chayamachi Bldg.	5	100.0	165,453	1.0	5	100.0	181,311	1.1	
		Total	851	99.7	16,363,494	100.0	857	99.3	16,714,986	100.0	

(Note 1) The number of tenants at end of period is counted as follows except for Shinjuku Square Tower, Shinjuku Center Bldg., the residential section of Science Plaza-Yonbancho Plaza, Tokyo Square Garden, Otemachi Financial City North Tower, Rise Arena Bldg., Sencity Bldg. and Kawasaki Dice Bldg.: when a single tenant leases multiple rooms, it is counted as one if the tenant uses the same property. If the leased rooms are in multiple buildings, the tenant is counted in plural.

The tenants of Shinjuku Square Tower, Shinjuku Center Bldg., the residential section of Science Plaza-Yonbancho Plaza, Tokyo Square Garden, Otemachi Financial City North Tower, Rise Arena Bldg., Sencity Bldg. and Kawasaki Dice Bldg. have sublet space to sublessees and lease agreements have been executed where the rent paid by the tenants fluctuates in accordance with the lease conditions of the sublessees and thus the numbers of sublessees have been entered as the numbers of tenants.

(Note 2) JPR does not disclose the rental revenues throughout period of the properties and their ratio to total rental revenues due to inevitable reasons, as no consent to disclosure has been obtained from the tenants or co-owners.

#### (4) Status of Other Assets

Beneficiary interests with real estate as major entrusted properties have been included in (3) Itemized Portfolio Assets above. There were no additional major assets that are main investment targets of JPR other than those listed under (3) above as of the end of the 38th fiscal period.

## 4. Capital Expenditures of Owned Real Estate

### (1) Planned Capital Expenditures

The following are major items of capital expenditures for renovation works, etc. planned as of the end of the 38th fiscal period for JPR-owned real estate and entrusted real estate regarding beneficiary interests in real estate. Furthermore, the planned construction expenses include portions that are classified as expenses in accounting.

Property Name	Location	Purpose	Schedule	Planned (millions of yen)		
				Total Value	Payment during the 38th Fiscal Period	Amount Already Paid
Kanematsu Bldg.	Chuo-ku, Tokyo	1st through 2nd phases of replacement of toilets on standard floors and corridors and ceilings in common areas	Oct. 2020–Dec. 2021	225	—	—
BYGS Shinjuku Bldg.	Shinjuku-ku, Tokyo	1st through 2nd phases of repair of common areas on 2nd basement floor through 1st floor	Feb. 2021–Oct. 2021	192	—	—
BYGS Shinjuku Bldg.	Shinjuku-ku, Tokyo	2nd through 3rd phases of reinforcement of elevators	Oct. 2020–Dec. 2021	161	—	—
JPR Shinsaibashi West	Osaka, Osaka	1st through 2nd phases of replacement of toilets	Feb. 2021–Dec. 2021	134	—	—
Tokyo Tatemono Honmachi Bldg.	Osaka, Osaka	Replacement of distribution boards and replacement of lighting equipment with LED lamps on 5th and 8th floors	Feb. 2021–Jan. 2022	84	—	—
Sencity Bldg.	Chiba, Chiba	Replacement of toilets in the West Building	Feb. 2021–Mar. 2021	78	—	—
Tokyo Tatemono Honmachi Bldg.	Osaka, Osaka	1st through 2nd phases of adoption of VAV (variable air volume) system on 5th and 8th floors	Feb. 2021–Dec. 2021	66	—	—
Rise Arena Bldg.	Toshima-ku, Tokyo	Replacement of lighting equipment with LED lamps on 1st floor and 6th through 14th floors	Jul. 2020–Jan. 2021	56	—	—
Housing Design Center Kobe	Kobe, Hyogo	1st through 3rd phases of replacement of substation facilities	Aug. 2020–Dec. 2021	53	5	5
JPR Chiba Bldg.	Chiba, Chiba	2nd phase of reinforcement of elevators	Dec. 2020–Feb. 2021	50	—	—
JPR Yokohama Bldg.	Yokohama, Kanagawa	Repair of exterior walls and work on exterior signboards	Nov. 2020–Feb. 2021	47	—	—
Shinjuku Center Bldg.	Shinjuku-ku, Tokyo	Replacement of piping equipment	Feb. 2021–Jun. 2021	42	—	—
Yakuin Business Garden	Fukuoka, Fukuoka	Replacement of lighting equipment with LED lamps on 2nd through 14th floors	Mar. 2021–Jun. 2021	35	—	—
JPR Sendagaya Bldg.	Shibuya-ku, Tokyo	Replacement of lighting equipment with LED lamps on 3rd floor and 5th through 8th floors	Feb. 2021–Jun. 2021	30	—	—

## (2) Capital Expenditures during the 38th Fiscal Period

The following are the capital expenditure amounts JPR invested in real estate and entrusted real estate during the 38th fiscal period. Among major capital expenditures, JPR conducted replacement of air conditioning units to maintain and enhance tenant satisfaction, as well as renovation of common-use areas with the aim of attracting new tenants, among other works. In addition, aside from these constructions, JPR conducted construction of 571 million yen (Note), which was appropriated as expenditures for repair and maintenance.

Property Name	Location	Purpose	Period	Construction Expenses (millions of yen)
JPR Yokohama Bldg.	Yokohama, Kanagawa	Repair of exterior walls	Jul. 2020–Dec. 2020	338
JPR Nagoya Fushimi Bldg.	Nagoya, Aichi	Replacement of outdoor mechanical parking systems	Dec. 2019–Jul. 2020	66
JPR Harajuku Bldg.	Shibuya-ku, Tokyo	Renovation of the entrance hall	Sep. 2020–Dec. 2020	56
JPR Ichigaya Bldg.	Chiyoda-ku, Tokyo	Replacement of air conditioning units	Feb. 2020–Oct. 2020	43
MS Shibaura Bldg.	Minato-ku, Tokyo	Replacement of lighting equipment with LED lamps on 3rd and 4th floors	Oct. 2020–Dec. 2020	40
BYGS Shinjuku Bldg.	Shinjuku-ku, Tokyo	1st phase of reinforcement of elevators	Jun. 2020–Sep. 2020	33
JPR Ningyo-cho Bldg.	Chuo-ku, Tokyo	Reinforcement of elevators	Apr. 2020–Nov. 2020	33
Other Properties		Replacement of air conditioning units, repair of common areas, replacement of lighting equipment with LED lamps, etc.		1,042
Total				1,654

(Note) Expenditures for repair and maintenance included 12 million yen of construction management fees paid to construction management companies as well as the amounts for repair and maintenance constructions themselves.

## (3) Amounts Reserved for Long-Term Repairs and Maintenance Plans

JPR has deposited the following amounts from the redundant cash flow (including one accompanying internal reserve of profits) such as depreciation in order to conduct large-scale repairs and maintenance work, based on medium- to long-term repairs and maintenance plans for individual properties.

(Millions of yen)

Operation Period	34th Fiscal Period (Jul. 1, 2018 - Dec. 31, 2018)	35th Fiscal Period (Jan. 1, 2019 - Jun. 30, 2019)	36th Fiscal Period (Jul. 1, 2019 - Dec. 31, 2019)	37th Fiscal Period (Jan. 1, 2020 - Jun. 30, 2020)	38th Fiscal Period (Jul. 1, 2020 - Dec. 31, 2020)
Balance of deposits at beginning of current period	1,215	1,222	1,319	1,310	1,424
Deposits during the period	624	1,038	997	939	952
Amounts used from deposits during the period	617	941	1,006	825	955
Deposits carried forward to the next period	1,222	1,319	1,310	1,424	1,421

## 5. Expenses and Liabilities

### (1) Details of Expenses Related to Management

(Thousands of yen)

Item	37th Fiscal Period (Jan. 1, 2020 - Jun. 30, 2020)	38th Fiscal Period (Jul. 1, 2020 - Dec. 31, 2020)
(a) Asset Management Fees (Note)	711,694	768,216
Management fee 1	219,760	228,570
Management fee 2	196,955	201,124
Management fee 3	294,979	338,521
(b) Administrative Service and Custodian Fees	78,674	82,325
(c) Directors' Fee	4,200	4,200
(d) Trust Fees	22,812	21,776
(e) Other Expenses	96,617	108,676
Total	914,000	985,194

(Note) Aside from the amounts of the asset management fees entered above, fees for asset management of the acquired properties (37th fiscal period: 88,100 thousand yen, 38th fiscal period: 57,000 thousand yen) have been paid and included in the book value of each property, and fees for asset management of the sold property (38th fiscal period: 7,157 thousand yen) have been paid and deducted from gain on sale of each property.

## (2) Status of Loans Payable

As of December 31, 2020 JPR has the following loans payable.

Category	Lender	Drawdown Date	Balance as of Jul. 1, 2020 (millions of yen)	Balance as of Dec. 31, 2020 (millions of yen)	Average interest Rate (%) (Note 1) (Note 2)	Repayment Date	Repayment Method	Use	Remarks
Short-Term Loans Payable	Mizuho Bank Ltd.	Dec. 24, 2020	—	6,000	0.188	Jul.5, 2021	Principal lump sum repayment on maturity	(Note 3)	Unsecured/Unguaranteed
	Total		—	6,000					
Long-Term Loans Payable	Mizuho Bank Ltd.	Nov. 27, 2013	3,000	—	0.970	Nov. 27, 2020	Principal lump sum repayment on maturity	(Note 3)	Unsecured/Unguaranteed
	Mizuho Bank Ltd.	Jun. 27, 2014	5,000	5,000	1.178	Jun. 27, 2023			
	Mizuho Bank Ltd.	Mar. 11, 2015	2,000	2,000	1.011	Mar. 11, 2024			
	Mizuho Bank Ltd.	Mar. 24, 2015	2,000	2,000	1.056	Mar. 24, 2025			
	Mizuho Bank Ltd.	Feb. 4, 2016	5,000	5,000	0.804	Feb. 4, 2026			
	Mizuho Bank Ltd.	Mar. 30, 2017	3,000	3,000	0.351	Mar. 30, 2021			
	Mizuho Bank Ltd.	Mar. 30, 2017	4,000	4,000	0.400	Mar. 30, 2022			
	Mizuho Bank Ltd.	Nov. 21, 2017	1,000	1,000	0.795	Nov. 19, 2027			
	Mizuho Bank Ltd.	Dec. 5, 2019	2,000	2,000	0.646	Dec. 5, 2029			
	MUFG Bank, Ltd.	Nov. 27, 2013	3,000	—	0.970	Nov. 27, 2020			
	MUFG Bank, Ltd.	Jun. 27, 2014	4,000	4,000	0.889	Jun. 25, 2021			
	MUFG Bank, Ltd.	Aug. 31, 2015	1,000	1,000	0.873	Aug. 31, 2023			
	MUFG Bank, Ltd.	Mar. 25, 2016	5,000	5,000	0.510	Mar. 25, 2024			
	MUFG Bank, Ltd.	Dec. 15, 2016	2,000	2,000	0.633	Dec. 13, 2024			
	MUFG Bank, Ltd.	Aug. 8, 2017	1,000	1,000	0.638	Aug. 8, 2025			
	MUFG Bank, Ltd.	Aug. 29, 2017	5,000	5,000	0.600	Aug. 29, 2025			
	MUFG Bank, Ltd.	Sep. 5, 2017	3,000	3,000	0.593	Sep. 5, 2025			
	Sumitomo Mitsui Banking Corporation	Jun. 27, 2014	2,500	2,500	1.033	Jun. 27, 2022			
	Sumitomo Mitsui Banking Corporation	Mar. 30, 2017	2,000	2,000	0.351	Mar. 30, 2021			
	Sumitomo Mitsui Banking Corporation	Mar. 30, 2017	4,000	4,000	0.400	Mar. 30, 2022			
	Sumitomo Mitsui Banking Corporation	Dec. 5, 2019	1,000	1,000	0.245	Dec. 5, 2023			
	Sumitomo Mitsui Banking Corporation	Jun. 26, 2020	3,000	3,000	0.300	Jun. 26, 2025			
	Development Bank of Japan, Inc.	Jun. 27, 2013	820	820	1.449	Jun. 25, 2021			
	Development Bank of Japan, Inc.	Dec. 5, 2013	2,000	2,000	1.188	Dec. 3, 2021			
	Development Bank of Japan, Inc.	Mar. 24, 2015	2,000	2,000	1.056	Mar. 24, 2025			
	Development Bank of Japan, Inc.	Dec. 15, 2016	3,000	3,000	0.843	Jun. 14, 2027			
	Development Bank of Japan, Inc.	Nov. 21, 2017	1,000	1,000	0.795	Nov. 19, 2027			
	Development Bank of Japan, Inc.	Jun. 27, 2019	2,100	2,100	0.572	Jun. 27, 2029			
	Shinsei Bank, Ltd.	Sep. 24, 2013	2,000	—	1.076	Sep. 24, 2020			
	Shinsei Bank, Ltd.	Dec. 5, 2014	2,000	2,000	1.134	Dec. 5, 2024			
	Shinsei Bank, Ltd.	Dec. 15, 2016	1,000	1,000	0.843	Jun. 14, 2027			
	Shinsei Bank, Ltd.	Apr. 5, 2019	5,000	5,000	0.673	April 5, 2029			
Shinsei Bank, Ltd.	Sep. 24, 2020	—	1,000	0.525	Sep. 25, 2028				
Shinsei Bank, Ltd.	Sep. 24, 2020	—	1,000	0.675	Sep. 24, 2030				
Shinkin Central Bank	Dec. 15, 2016	2,000	2,000	0.388	Dec. 14, 2021				
Shinkin Central Bank	Dec. 5, 2018	3,000	3,000	0.663	Jun. 4, 2027				
Shinkin Central Bank	Jun. 27, 2019	2,000	2,000	0.447	Dec. 27, 2027				
The Norinchukin Bank	Dec. 15, 2016	2,000	2,000	0.388	Dec. 14, 2021				
The Norinchukin Bank	Dec. 5, 2017	1,000	1,000	0.604	Jun. 5, 2025				
The Norinchukin Bank	Jun. 27, 2019	2,000	2,000	0.405	Jun. 25, 2027				

Category	Lender	Drawdown Date	Balance as of Jul. 1, 2020 (millions of yen)	Balance as of Dec. 31, 2020 (millions of yen)	Average interest Rate (%) (Note 1) (Note 2)	Repayment Date	Repayment Method	Use	Remarks
Long-Term Loans Payable	The Norinchukin Bank	Dec. 24, 2020	—	2,000	0.525	Dec. 25, 2028	Principal lump sum repayment on maturity	(Note 3)	Unsecured/Unguaranteed
	Mizuho Trust & Banking Co., Ltd.	Feb. 4, 2020	3,000	3,000	0.586	Feb. 4, 2030			
	Mizuho Trust & Banking Co., Ltd.	Mar. 30, 2020	2,000	2,000	0.606	Mar. 29, 2030			
	Mizuho Trust & Banking Co., Ltd.	Dec. 24, 2020	—	2,000	0.675	Dec. 24, 2030			
	The Bank of Fukuoka, Ltd.	Oct. 9, 2015	2,000	2,000	0.816	Oct. 6, 2023			
	The Bank of Fukuoka, Ltd.	Jul. 7, 2016	2,000	2,000	0.480	Jul. 7, 2026			
	The Bank of Fukuoka, Ltd.	Sep. 24, 2019	1,000	1,000	0.554	Sep. 21, 2029			
	The Bank of Fukuoka, Ltd.	Jan. 30, 2020	1,000	1,000	0.598	Jan. 30, 2030			
	Aozora Bank Ltd.	Sep. 30, 2013	1,000	—	1.069	Sep. 24, 2020			
	Aozora Bank Ltd.	Jul. 3, 2017	900	900	0.625	Jul. 3, 2025			
	Aozora Bank Ltd.	Aug. 25, 2017	1,000	1,000	0.534	Aug. 23, 2024			
	Aozora Bank Ltd.	Aug. 25, 2017	1,000	1,000	0.574	Feb. 25, 2025			
	Aozora Bank Ltd.	Aug. 30, 2018	2,000	2,000	0.553	Feb. 25, 2025			
	Aozora Bank Ltd.	Sep. 24, 2020	—	500	0.525	Sep. 25, 2028			
	Meiji Yasuda Life Insurance Company	Feb. 5, 2015	1,000	1,000	1.042	Feb. 5, 2025			
	Meiji Yasuda Life Insurance Company	Jun. 21, 2018	3,200	3,200	0.813	Jun. 21, 2028			
	Sumitomo Life Insurance Company	Oct. 11, 2016	2,000	2,000	0.453	Oct. 11, 2024			
	Sumitomo Life Insurance Company	Jul. 22, 2019	1,000	1,000	0.583	Jul. 20, 2029			
	Sumitomo Life Insurance Company	Jan. 30, 2020	1,000	1,000	0.598	Jan. 30, 2030			
	The Shinkumi Federation Bank	Feb. 5, 2018	4,000	4,000	0.404	Aug. 5, 2022			
	The Nishi-Nippon City Bank, Ltd.	May 27, 2016	3,000	3,000	0.646	May 27, 2026			
	The Nishi-Nippon City Bank, Ltd.	Dec. 15, 2016	1,000	1,000	0.388	Dec. 14, 2021			
	Taiyo Life Insurance Company	Dec. 27, 2013	1,000	—	1.011	Dec. 25, 2020			
	Taiyo Life Insurance Company	Sep. 24, 2015	1,000	1,000	0.969	Sep. 24, 2024			
	Taiyo Life Insurance Company	Jun. 4, 2018	1,000	1,000	0.811	Jun. 5, 2028			
	Taiyo Life Insurance Company	Dec. 25, 2020	—	1,000	0.675	Dec. 24, 2030			
	The Chugoku Bank, Ltd.	Oct. 9, 2015	2,000	2,000	0.816	Oct. 6, 2023			
	The Chugoku Bank, Ltd.	Sep. 25, 2018	1,000	1,000	0.661	Mar. 25, 2026			
	The Iyo Bank, Ltd.	Oct. 9, 2015	1,000	1,000	0.816	Oct. 6, 2023			
	The Iyo Bank, Ltd.	Jan. 30, 2020	1,000	1,000	0.598	Jan. 30, 2030			
	National Mutual Insurance Federation of Agricultural Cooperatives	Dec. 15, 2016	2,000	2,000	0.388	Dec. 14, 2021			
	Sompo Japan Insurance Inc.	Dec. 25, 2015	2,000	2,000	0.759	Dec. 25, 2023			
	Nippon Life Insurance Company	Nov. 22, 2019	2,000	2,000	0.225	Nov. 22, 2023			
	The Hachijuni Bank, Ltd.	Oct. 9, 2015	1,000	—	0.489	Oct. 9, 2020			
	The Hachijuni Bank, Ltd.	Sep. 26, 2016	1,000	1,000	0.209	Sep. 24, 2021			
	The Hachijuni Bank, Ltd.	Oct. 9, 2020	—	1,000	0.300	Oct. 9, 2025			
	The Yamaguchi Bank, Ltd.	Nov. 21, 2017	1,000	1,000	0.795	Nov. 19, 2027			
	The Yamaguchi Bank, Ltd.	Jan. 30, 2020	1,000	1,000	0.598	Jan. 30, 2030			
	Resona Bank, Ltd.	Mar. 30, 2017	2,000	2,000	0.438	Sep. 30, 2022			
	NTT FINANCE CORPORATION	May 31, 2018	1,000	1,000	0.408	May 31, 2023			
	The Kiyo Bank, Ltd.	Jan. 30, 2020	1,000	1,000	0.598	Jan. 30, 2030			
	The 77 Bank, Ltd.	May 31, 2018	1,000	1,000	0.408	May 31, 2023			
	The Daishi Bank, Ltd. (Note 4)	Nov. 21, 2017	1,000	1,000	0.396	Nov. 21, 2022			
	Daido Life Insurance Company	Dec. 27, 2018	1,000	1,000	0.316	Dec. 25, 2023			
	The Chiba Bank, Ltd.	Oct. 25, 2018	1,000	1,000	0.449	Oct. 25, 2023			

Category	Lender	Drawdown Date	Balance as of Jul. 1, 2020 (millions of yen)	Balance as of Dec. 31, 2020 (millions of yen)	Average interest Rate (%) (Note 1) (Note 2)	Repayment Date	Repayment Method	Use	Remarks
Long-Term Loans Payable	Tokio Marine & Nichido Fire Insurance Co., Ltd.	Dec. 27, 2018	1,000	1,000	0.299	Jun. 27, 2023	Principal lump sum repayment on maturity	(Note 3)	Unsecured/Unguaranteed
	The Hyakugo Bank, Ltd.	Oct. 25, 2018	1,000	1,000	0.582	Apr. 25, 2025			
	The Hiroshima Bank, Ltd.	Nov. 21, 2017	1,000	1,000	0.396	Nov. 21, 2022			
	Mitsui Sumitomo Insurance Company, Limited	Oct. 4, 2019	1,000	1,000	0.310	Oct. 2, 2026			
	Sumitomo Mitsui Trust Bank Limited	Mar. 25, 2016	1,000	1,000	0.691	Mar. 25, 2026			
	Total			160,520	158,020				

(Note 1) The average interest rates are rounded to the third decimal place. Furthermore, fees related to loan arrangement paid to the above lenders are not included.

(Note 2) Short-term loans payable are floating-rate loans payable. Long-term loans payable are fixed-rate loans payable.

(Note 3) Funds are used for purchasing real estate or real estate beneficiary interests in trust (including accompanying expenses), repaying loans payable and redemption of investment corporation bonds.

(Note 4) The Daishi Bank, Ltd. changed its name to Daishi Hokuetsu Bank, Ltd. as of January 1, 2021 upon the merger with The Hokuetsu Bank, Ltd.

### (3) Investment Corporation Bonds

Details of JPR's investment corporation bonds outstanding as of December 31, 2020 are as follows.

Name	Issue Date	Balance as of Jul. 1, 2020 (millions of yen)	Balance as of Dec. 31, 2020 (millions of yen)	Coupon Rate (%)	Maturity Date	Redemption Method	Use	Remarks			
Seventh Series of Investment Corporation Bonds	Dec. 14, 2006	4,500	4,500	2.900	Dec. 14, 2026	Bullet repayment	(Note 1)	(Note 2)			
Eighteenth Series of Investment Corporation Bonds	May 31, 2013	2,000	2,000	1.460	May 31, 2023						
Nineteenth Series of Investment Corporation Bonds	Feb. 5, 2014	5,000	5,000	1.110	Feb. 5, 2024						
Twenty-first Series of Investment Corporation Bonds	Jul. 22, 2014	4,000	4,000	1.278	Jul. 22, 2026						
Twenty-second Series of Investment Corporation Bonds	Dec. 4, 2014	3,000	3,000	0.831	Dec. 4, 2024						
Twenty-third Series of Investment Corporation Bonds	May 31, 2018	3,000	3,000	0.550	May 31, 2028						
Twenty-fourth Series of Investment Corporation Bonds (Green Bonds)	Jul. 31, 2019	5,000	5,000	0.570	July 31, 2029						
Twenty-fifth Series of Investment Corporation Bonds (Green Bonds)	Nov. 26, 2020	—	6,000	0.510	Nov. 26, 2030						
Total		26,500	32,500								

(Note 1) Funds are used for purchasing real estate or real estate beneficiary interests in trust (including accompanying expenses), repaying loans payable and redemption of investment corporation bonds.

(Note 2) These investment corporation bonds are equipped with the same rank rider limited among certain investment corporation bonds.

### (4) Subscription Rights to Shares

Not applicable



## 6. Acquisitions and Sales during the 38th Fiscal Period

### (1) Acquisition and Sale of Real Estate and Asset-Backed Securities

Type of Asset	Real Estate Name	Acquisition		Sale					
		Acquisition Date	Acquisition Price (millions of yen) (Note)	Sale Date	Sale Price (A) (millions of yen) (Note)	Book Value (B) (millions of yen) (Note)	Difference (C) (A)-(B) (millions of yen)	Sale Expense (D) (millions of yen)	Sale Profit and Loss (C)-(D) (millions of yen)
Real estate	Otemachi Financial City North Tower	December 24, 2020	11,400	—	—	—	—	—	—
Beneficiary interest	JPR Hakata Bldg. (35.0% co-ownership interest)	—	—	December 24, 2020	1,435	1,011	423	8	414
	Total	—	11,400	—	1,435	1,011	423	8	414

(Note) Values of Acquisition Price or Sale Price are amounts (transaction price indicated in the transaction contract, etc.) excluding expenses (such as real estate transaction brokerage fees) required for acquisition or sale of the relevant real estate.

### (2) Acquisition and Sale of Other Assets

JPR made no acquisition or sale of other assets in the 38th fiscal period.

### (3) Survey on Values of Specified Assets, etc.

Acquisition or Sale	Type of Asset	Real Estate Name	Transaction Date	Acquisition Price or Sale Price (Note 1) (millions of yen)	Real Estate Appraisal Value (Note 2) (millions of yen)	Real Estate Appraiser	Appraisal Date
Acquisition	Real estate	Otemachi Financial City North Tower	December 24, 2020	11,400	11,900	Japan Real Estate Institute	November 1, 2020
Sale	Beneficiary interest	JPR Hakata Bldg. (35.0% co-ownership interest)	December 24, 2020	1,435	1,386 (Note 3)	The Tanizawa Sōgō Appraisal Co., Ltd.	November 30, 2020

(Note 1) Values of Acquisition Price or Sale Price are amounts (transaction price indicated in the transaction contract, etc.) excluding expenses (such as real estate transaction brokerage fees) required for acquisition or sale of the relevant real estate.

(Note 2) The appraisal in the table above was conducted by applying to the "Real Estate Appraisal Standards, Specific Thesis Chapter 3: Appraisal on Prices of Real Estate Subject to Securitization."

(Note 3) The real estate appraisal value of JPR Hakata Bldg. (35.0% co-ownership interest) indicates the value equivalent for 35.0% co-ownership interest of the appraisal value of the entire property as of November 30, 2020.

### (4) Transactions with Interested Parties and Major Shareholders

#### 1) Transaction Status

(Thousands of yen)

Category	Transaction Amount, Etc.			
	Purchase Amount, Etc.		Sale Amount, Etc.	
Total	11,400,000		1,435,000	
Breakdown of transactions with interested parties				
Tokyo Tatemono Co., Ltd.	11,400,000	(100.0%)	1,435,000	(100.0%)
Total	11,400,000	(100.0%)	1,435,000	(100.0%)

#### 2) Value of Fee Expenses

(Thousands of yen)

Category	Total Paid Fees (A)	Breakdown of Transaction with Interested Parties and Major Shareholders		Ratio to Total Amount (B/A)
		Paid Party	Paid Amount (B)	
Management Fees (Note 2)	345,199	Tokyo Tatemono Co., Ltd.	249,652	72.3%
		Prime Place Co., Ltd.	22,422	6.5%
Outsourcing Fees	630,247	Tokyo Tatemono Co., Ltd.	452,324	71.8%
		Prime Place Co., Ltd.	14,067	2.2%
Tenant Brokerage Fees	37,918	Tokyo Tatemono Co., Ltd.	5,401	14.2%
		Prime Place Co., Ltd.	536	1.4%

(Note 1) Interested parties and major shareholders refer to the interested parties of the asset management company who has concluded an asset management agreement with JPR and is regulated as designated in Article 123 of the Enforcement Order of the Act on Investment Trusts and Investment Corporations and article 26-1-27 of the regulation on management reports in regard to investment trusts and investment corporations of The Investment Trusts Association, Japan.

(Note 2) The management fees indicated in the above table include construction management fees (total of 39,052 thousand yen) appropriated as assets and not handled as expenses.

(Note 3) Aside from transactions indicated in the above table, JPR paid the following amounts for repairs, etc. conducted by below parties who are interested parties or major shareholders during the 38th fiscal period.

Tokyo Tatemono Co., Ltd.	677,609 thousand yen
Prime Place Co., Ltd.	35,968 thousand yen
Tokyo Real Estate Management Co., Ltd.	198,700 thousand yen
Shinjuku Center Building Management Co., Ltd.	14,760 thousand yen

### (5) Transactions with the Asset Management Company regarding Concurrent Work Conducted by the Asset Management Company

Tokyo Realty Investment Management, Inc., the asset management company of JPR, does not concurrently conduct any of the class 1 financial instruments transaction business, class 2 financial instruments transaction business, land and building transaction business, or real estate syndication business, and has no such transactions with JPR.

## 7. Overview of Accounting

### (1) Assets, Liabilities, Principal, and Profits and Loss

Please refer to the Balance Sheets, Statements of Income and Retained Earnings, Statements of Unitholders' Equity and Notes to Financial Statements as well as Distribution Information on later pages of this report.

### (2) Changes in Calculation Method of Depreciation

No change has been made.

### (3) Changes in Valuation Method of Real Estate and Infrastructure Assets

No change has been made.

## 8. Overview of Self-Managed Investment Trust Beneficiary

### (1) Acquisition

Tokyo Realty Investment Management, Inc., the asset management company of JPR, acquired and holds JPR's investment units as indicated below.

Acquisition Date	Number of Units Acquired	Number of Units Disposed	Number of Units Held
September 14, 2001	40	–	40
January 22, 2002 (Note)	60	–	100
Accumulated Total	100	–	100

(Note) The acquisition was due to the investment unit split (2.5 units for one existing unit).

### (2) Units Held

	Number of Units Held at End of Period	Total Investment at End of Period (Note) (millions of yen)	Ratio to Total Units Issued and Outstanding (%)
29th Fiscal Period (Jan. 1, 2016 – Jun. 30, 2016)	100	20	0.0
30th Fiscal Period (Jul. 1, 2016 – Dec. 31, 2016)	100	20	0.0
31st Fiscal Period (Jan. 1, 2017 – Jun. 30, 2017)	100	20	0.0
32nd Fiscal Period (Jul. 1, 2017 – Dec. 31, 2017)	100	20	0.0
33rd Fiscal Period (Jan. 1, 2018 – Jun. 30, 2018)	100	20	0.0
34th Fiscal Period (Jul. 1, 2018 – Dec. 31, 2018)	100	20	0.0
35th Fiscal Period (Jan. 1, 2019 – Jun. 30, 2019)	100	20	0.0
36th Fiscal Period (Jul. 1, 2019 – Dec. 31, 2019)	100	20	0.0
37th Fiscal Period (Jan. 1, 2020 – Jun. 30, 2020)	100	20	0.0
38th Fiscal Period (Jul. 1, 2020 – Dec. 31, 2020)	100	20	0.0

(Note) Total investment at end of period represents the acquisition price.

## 9. Disclosure on Corporation Owning Foreign Real Estate

Not applicable

## 10. Disclosure on Real Estate Owned by Corporation Owning Foreign Real Estate

Not applicable

## 11. Other

### (1) Notice

Major issues related to the execution and modification, etc. of major agreements approved at JPR's Board of Directors meeting in the 38th fiscal period include the following:

Date of Board of Directors Meeting	Approved Item	Overview
October 28, 2020	Consignment of administrative services concerning the issuance of the Twenty-Fifth Series of Unsecured Investment Corporation Bonds (Note)	JPR consigned the administrative services related to the issuance of the Twenty-Fifth Series of Unsecured Investment Corporation Bonds to SMBC Nikko Securities Inc., Mizuho Securities Co., Ltd. and Mizuho Bank, Ltd., on the condition that the Executive Officer should decide to issue the relevant Bonds.

(Note) The Board of Directors' meeting held on April 23, 2020 passed the comprehensive resolution on the issuance of the relevant investment corporation bonds. Based on this, JPR issued the Twenty-Fifth Series of Unsecured Investment Corporation Bonds on November 26, 2020.

### (2) Other

Unless otherwise stated, monetary amounts are rounded down and percentage figures are rounded off to the nearest specified unit in this Report on Operating and Management Results.

## (1) Balance Sheets

(Thousands of yen)

	End of 37th Fiscal Period (Jun. 30, 2020)	End of 38th Fiscal Period (Dec. 31, 2020)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	27,126,776	28,598,680
Cash and deposits in trust	12,973,691	12,797,488
Operating accounts receivable	289,154	271,574
Prepaid expenses	142,036	130,517
Consumption taxes receivable	172,716	—
Other	15,201	15,050
<b>Total current assets</b>	<b>40,719,576</b>	<b>41,813,311</b>
<b>Noncurrent assets</b>		
<b>Property, plant and equipment</b>		
Buildings	64,616,121	66,826,208
Accumulated depreciation	(19,809,897)	(20,760,217)
<b>Buildings, net</b>	<b>44,806,224</b>	<b>46,065,991</b>
Buildings in trust	95,176,039	95,206,152
Accumulated depreciation	(36,554,181)	(37,264,443)
<b>Buildings in trust, net</b>	<b>58,621,857</b>	<b>57,941,709</b>
Structures	62,220	73,557
Accumulated depreciation	(28,412)	(30,266)
<b>Structures, net</b>	<b>33,807</b>	<b>43,291</b>
Structures in trust	133,739	135,419
Accumulated depreciation	(80,982)	(82,417)
<b>Structures in trust, net</b>	<b>52,757</b>	<b>53,001</b>
Machinery and equipment	838,393	909,004
Accumulated depreciation	(564,455)	(589,358)
<b>Machinery and equipment, net</b>	<b>273,937</b>	<b>319,646</b>
Machinery and equipment in trust	1,929,556	1,932,022
Accumulated depreciation	(1,464,811)	(1,476,358)
<b>Machinery and equipment in trust, net</b>	<b>464,745</b>	<b>455,663</b>
Tools, furniture and fixtures	143,061	170,010
Accumulated depreciation	(71,367)	(79,189)
<b>Tools, furniture and fixtures, net</b>	<b>71,694</b>	<b>90,821</b>
Tools, furniture and fixtures in trust	252,219	279,430
Accumulated depreciation	(178,396)	(184,639)
<b>Tools, furniture and fixtures in trust, net</b>	<b>73,823</b>	<b>94,790</b>
Land	123,264,320	133,341,887
Land in trust	192,157,692	191,547,397
Construction in progress	1,219	1,019
Construction in progress in trust	150	330
<b>Total property, plant and equipment</b>	<b>419,822,228</b>	<b>429,955,550</b>
<b>Intangible assets</b>		
Leasehold right	11,801,831	11,801,831
Other	3,573	3,446
<b>Total intangible assets</b>	<b>11,805,404</b>	<b>11,805,277</b>
<b>Investments and other assets</b>		
Lease and guarantee deposits	612,216	649,549
Long-term prepaid expenses	70,319	166,235
<b>Total investments and other assets</b>	<b>682,536</b>	<b>815,784</b>
<b>Total noncurrent assets</b>	<b>432,310,169</b>	<b>442,576,613</b>
<b>Deferred assets</b>		
Investment corporation bond issuance costs	119,523	153,146
Investment unit issuance expenses	37,540	30,456
<b>Total deferred assets</b>	<b>157,064</b>	<b>183,602</b>
<b>Total assets</b>	<b>473,186,809</b>	<b>484,573,526</b>

(Thousands of yen)

	End of 37th Fiscal Period (Jun. 30, 2020)	End of 38th Fiscal Period (Dec. 31, 2020)
<b>Liabilities</b>		
<b>Current liabilities</b>		
Operating accounts payable	2,814,074	2,931,209
Short-term loans payable	—	6,000,000
Current portion of long-term loans payable	20,820,000	19,820,000
Accounts payable-other	910,146	1,048,185
Accrued expenses	79,421	88,281
Income taxes payable	605	605
Accrued consumption taxes	136,082	501,994
Advances received	3,048,380	2,977,266
Other	—	302
<b>Total current liabilities</b>	<b>27,808,710</b>	<b>33,367,843</b>
<b>Noncurrent liabilities</b>		
Investment corporation bonds	26,500,000	32,500,000
Long-term loans payable	139,700,000	138,200,000
Tenant leasehold and security deposits	9,378,333	10,100,242
Tenant leasehold and security deposits in trust	13,961,750	14,005,614
<b>Total noncurrent liabilities</b>	<b>189,540,084</b>	<b>194,805,857</b>
<b>Total liabilities</b>	<b>217,348,795</b>	<b>228,173,700</b>
<b>Net assets</b>		
<b>Unitholders' equity</b>		
Unitholders' capital	247,860,796	247,860,796
Surplus		
Voluntary reserve		
Reserve for reduction entry	689,444	689,444
<b>Total voluntary reserve</b>	<b>689,444</b>	<b>689,444</b>
Unappropriated retained earnings (undisposed loss)	7,287,774	7,849,585
<b>Total surplus</b>	<b>7,977,218</b>	<b>8,539,029</b>
<b>Total unitholders' equity</b>	<b>255,838,014</b>	<b>256,399,826</b>
<b>Total net assets</b>	<b>*2 255,838,014</b>	<b>*2 256,399,826</b>
<b>Total liabilities and net assets</b>	<b>473,186,809</b>	<b>484,573,526</b>

## (2) Statements of Income and Retained Earnings

(Thousands of yen)

	37th Fiscal Period (Jan. 1, 2020 - Jun. 30, 2020)		38th Fiscal Period (Jul. 1, 2020 - Dec. 31, 2020)	
<b>Operating revenue</b>				
Rent revenue-real estate	*1	16,363,494	*1	16,714,986
Gain on sale of real estate		—	*2	414,931
<b>Total operating revenue</b>		16,363,494		17,129,917
<b>Operating expenses</b>				
Expenses related to rent business	*1	7,436,206	*1	7,611,662
Asset management fee		711,694		768,216
Administrative service and asset custody fees		78,674		82,325
Directors' compensation		4,200		4,200
Trust fees		22,812		21,776
Other operating expenses		96,617		108,676
<b>Total operating expenses</b>		8,350,206		8,596,857
<b>Operating income</b>		8,013,288		8,533,060
<b>Non-operating income</b>				
Interest income		195		200
Income on settlement of management association accounts		21,669		40,720
Insurance income		25,258		4,444
Other		4,088		1,433
<b>Total non-operating income</b>		51,212		46,799
<b>Non-operating expenses</b>				
Interest expenses		543,152		525,756
Borrowing expenses		23,760		24,143
Interest expenses on investment corporation bonds		167,455		171,817
Amortization of investment corporation bond issuance costs		9,988		10,533
Amortization of investment unit issuance expenses		5,537		7,084
Other		37,154		198
<b>Total non-operating expenses</b>		787,050		739,534
<b>Ordinary income</b>		7,277,450		7,840,325
<b>Income before income taxes</b>		7,277,450		7,840,325
<b>Income taxes-current</b>		605		605
<b>Total income taxes</b>		605		605
<b>Net income</b>		7,276,845		7,839,720
<b>Retained earnings brought forward</b>		10,928		9,865
<b>Unappropriated retained earnings (undisposed loss)</b>		7,287,774		7,849,585

## (3) Statements of Changes in Unitholders' Equity

(Thousands of yen)

	37th Fiscal Period (Jan. 1, 2020 - Jun. 30, 2020)		38th Fiscal Period (Jul. 1, 2020 - Dec. 31, 2020)	
<b>Unitholders' equity</b>				
<b>Unitholders' capital</b>				
Balance at beginning of current period		231,653,198		247,860,796
Changes of items during the period				
Issuance of units		16,207,597		—
Total changes of items during the period		16,207,597		—
Balance at end of current period		247,860,796		247,860,796
<b>Surplus</b>				
Voluntary reserve				
Balance at beginning of current period		689,444		689,444
Changes of items during the period				
Total changes of items during the period		—		—
Balance at end of current period		689,444		689,444
Unappropriated retained earnings (undisposed loss)				
Balance at beginning of current period		6,926,967		7,287,774
Changes of items during the period				
Dividends from surplus		(6,916,039)		(7,277,908)
Net income		7,276,845		7,839,720
Total changes of items during the period		360,806		561,811
Balance at end of current period		7,287,774		7,849,585
<b>Total surplus</b>				
Balance at beginning of current period		7,616,411		7,977,218
Changes of items during the period				
Dividends from surplus		(6,916,039)		(7,277,908)
Net income		7,276,845		7,839,720
Total changes of items during the period		360,806		561,811
Balance at end of current period		7,977,218		8,539,029
<b>Total unitholders' equity</b>				
Balance at the beginning of current period		239,269,610		255,838,014
Changes of items during the period				
Issuance of units		16,207,597		—
Dividends from surplus		(6,916,039)		(7,277,908)
Net income		7,276,845		7,839,720
Total changes of items during the period		16,568,404		561,811
Balance at end of current period		255,838,014		256,399,826
<b>Total net assets</b>				
Balance at beginning of current period		239,269,610		255,838,014
Changes of items during the period				
Issuance of units		16,207,597		—
Dividends from surplus		(6,916,039)		(7,277,908)
Net income		7,276,845		7,839,720
Total changes of items during the period		16,568,404		561,811
<b>Balance at end of current period</b>		255,838,014		256,399,826

## (4) Statements of Cash Distributions

	37th Fiscal Period (Jan. 1, 2020 - Jun. 30, 2020)	38th Fiscal Period (Jul. 1, 2020 - Dec. 31, 2020)
I. Unappropriated retained earnings	7,287,774,097 yen	7,849,585,585 yen
II. Distribution amount (Distribution amount per unit)	7,277,908,750 yen (7,595 yen)	7,426,437,500 yen (7,750 yen)
III. Voluntary reserve Provision of reserve for reduction entry	—	414,050,403 yen
IV. Retained earnings carried forward	9,865,347 yen	9,097,682 yen
Method for calculating distribution amount	Pursuant to the policy on cash distributions provided in Article 30 (2) of the Articles of Incorporation of JPR, the distribution amount shall be in excess of an amount equivalent to 90% of the "distributable income amount" as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation, but no more than the amount of earnings. Based on such policy, JPR decided to pay out distributions of earnings of 7,277,908,750 yen, which is the largest integral multiple of the total number of investment units issued and outstanding (958,250 units) in an amount not in excess of unappropriated retained earnings and to the extent of minimizing the burden to unitholders incurred by accrual of corporate income tax, etc. Furthermore, JPR shall not distribute cash in excess of earnings as stipulated in Article 30 (4) of the Articles of Incorporation.	Pursuant to the policy on cash distributions provided in Article 30 (2) of the Articles of Incorporation of JPR, the distribution amount shall be in excess of an amount equivalent to 90% of the "distributable income amount" as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation, but no more than the amount of earnings. Under such policy, JPR decided to pay out distributions of earnings of 7,426,437,500 yen, which is the largest integral multiple of the total number of investment units issued and outstanding (958,250 units) from the balance of unappropriated retained earnings after deducting the provision of reserve for reduction entry pursuant to Article 65-7 of the Act on Special Measures Concerning Taxation, while minimizing the burden to unitholders incurred by accrual of corporate income tax, etc. Furthermore, JPR shall not distribute cash in excess of earnings as stipulated in Article 30 (4) of the Articles of Incorporation.

## (5) Statements of Cash Flows

(Thousands of yen)

	37th Fiscal Period (Jan. 1, 2020 - Jun. 30, 2020)	38th Fiscal Period (Jul. 1, 2020 - Dec. 31, 2020)
<b>Net cash provided by (used in) operating activities</b>		
Income before income taxes	7,277,450	7,840,325
Depreciation and amortization	2,027,993	2,085,621
Amortization of investment corporation bond issuance costs	9,988	10,533
Amortization of investment unit issuance expenses	5,537	7,084
Interest income	(195)	(200)
Interest expenses	710,608	697,573
Decrease (increase) in operating accounts receivable	(42,646)	17,580
Decrease (increase) in consumption taxes receivable	(172,716)	172,716
Decrease (increase) in prepaid expenses	17,368	11,519
Increase (decrease) in operating accounts payable	(178,048)	(84,519)
Increase (decrease) in accounts payable-other	240,609	138,359
Increase (decrease) in accrued consumption taxes	(245,172)	365,911
Increase (decrease) in advances received	25,934	(71,113)
Decrease in property, plant and equipment in trust due to sale	—	1,011,451
Other, net	3,184	(111,233)
Subtotal	9,679,895	12,091,609
Interest income received	195	200
Interest expenses paid	(712,361)	(688,713)
Income taxes (paid) refund	(605)	(605)
Net cash provided by (used in) operating activities	8,967,123	11,402,490
<b>Net cash provided by (used in) investing activities</b>		
Purchase of property, plant and equipment	(14,685,251)	(12,025,561)
Purchase of property, plant and equipment in trust	(4,888,250)	(1,002,768)
Purchase of intangible assets	—	(285)
Payments of lease and guarantee deposits	(21,440)	(37,332)
Repayments of tenant leasehold and security deposits	(73,346)	(192,083)
Proceeds from tenant leasehold and security deposits	1,402,591	913,992
Repayments of tenant leasehold and security deposits in trust	(55,383)	(147,585)
Proceeds from tenant leasehold and security deposits in trust	428,829	206,253
Net cash provided by (used in) investing activities	(17,892,251)	(12,285,370)
<b>Net cash provided by (used in) financing activities</b>		
Proceeds from short-term loans payable	—	6,000,000
Repayment of short-term loans payable	(1,000,000)	—
Proceeds from long-term loans payable	13,000,000	8,500,000
Repayment of long-term loans payable	(10,000,000)	(11,000,000)
Proceeds from issuance of investment corporation bonds	—	5,955,843
Proceeds from issuance of investment units	16,165,436	—
Dividends paid	(6,915,347)	(7,277,262)
Net cash provided by (used in) financing activities	11,250,088	2,178,580
<b>Net changes in cash and cash equivalents</b>	2,324,960	1,295,701
<b>Cash and cash equivalents at beginning of current period</b>	37,775,506	40,100,467
<b>Cash and cash equivalents at end of current period</b>	*1 40,100,467	*1 41,396,168

## (6) Notes to Financial Statements

### (Basis of Presenting Financial Statements)

Japan Prime Realty Investment Corporation (JPR) maintains its accounting records and prepares its financial statements in accordance with accounting principles generally accepted in Japan (Japanese GAAP), including provisions set forth in the Financial Instruments and Exchange Act of Japan, the Act on Investment Trusts and Investment Corporations (the Investment Trusts Act), the Companies Act and the related regulations, which are different in certain respects as to the adoption and disclosure requirements of International Financial Reporting Standards.

The accompanying financial statements are basically a translation of the audited financial statements of JPR, which were prepared in accordance with Japanese GAAP and filed with the Kanto Local Finance Bureau. In preparing the accompanying financial statements, certain reclassifications have been made to the financial statements issued domestically in order to present them in a format which is more familiar to readers outside Japan. In addition, the notes to financial statements include information which might not be required under Japanese GAAP but is presented herein as additional information.

JPR's accounting periods end at the end of June and December.

### (Significant Accounting Policies)

- |   |  |
|---|--|
| 1. Depreciation/Amortization Method for Long-lived Assets                         | (1) Property and Equipment (including entrusted properties)<br>Depreciation is calculated using the straight-line method. The estimated useful lives of major property and equipment ranges are as follows:<br>Buildings ..... 3 - 65 years<br>Structures ..... 10 - 35 years<br>Machinery and equipment ..... 3 - 17 years<br>Tools, furniture and fixtures ..... 3 - 20 years<br>Assets with purchase costs of 100,000 yen or more but less than 200,000 yen are depreciated over three years based on the Corporation Tax Act.  |
|   | (2) Intangible Assets<br>Intangible assets are amortized utilizing the straight-line method.   |
|   | (3) Long-term Prepaid Expenses<br>Long-term prepaid expenses are amortized utilizing the straight-line method.   |
| 2. Accounting for Deferred Assets   | (1) Investment Corporation Bond Issuance Costs<br>Investment corporation bond issuance costs are amortized utilizing the straight-line method over the redemption periods.<br>(2) Investment unit issuance expenses<br>Investment unit issuance expenses are amortized utilizing the straight-line method over three years.  |
| 3. Standards for Recording Revenues and Expenses                                  | Accounting Treatment of Taxes on Property and Equipment<br>In connection with property taxes, city planning taxes and depreciated asset taxes (the "property taxes"), JPR uses the method of charging the corresponding amounts of assessed taxes to the current fiscal period as expenses related to rent business.<br>Furthermore, JPR capitalized an amount equivalent to the property taxes paid to the sellers during the first fiscal period as a part of the purchase cost, not as expenses, in connection with the acquisition of real estate or entrusted beneficiary interests in real estate as entrusted property. Taxes on property and equipment capitalized amounted to 52,474 thousand yen for the fiscal period ended June 30, 2020 and amounted to 1,466 thousand yen for the fiscal period ended December 31, 2020.   |
| 4. Scope of Cash and Cash Equivalents in the Statements of Cash Flows             | Cash and cash equivalents in the Statements of Cash Flows include the following items<br>(1) Cash on hand and cash in trust<br>(2) Deposits placed with banks and deposits in trust that can be withdrawn at any time<br>(3) Short-term investments that are readily convertible to cash and have insignificant risk of price fluctuations and have original maturities of three months or less from the acquisition date.   |
| 5. Other Significant Items Fundamental to the Preparation of Financial Statements | (1) Accounting Policies on Trust Beneficiary Interests in Real Estate as Property in Trust<br>Regarding trust beneficiary interests in real estate, all asset and liability accounts of entrusted properties as well as all revenue and expense accounts generated by the property in trust are recorded in relevant accounts on the balance sheets and statements of income and retained earnings.<br>Furthermore, the following material accounts are separately presented in the balance sheets for properties in trust recorded in relevant accounts.<br>a. Cash and deposits in trust<br>b. Buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust, land in trust and construction in progress in trust<br>c. Tenant leasehold and security deposits in trust<br>(2) Accounting for Consumption Taxes<br>Revenues and expenses in the Statements of Income and Retained Earnings do not include consumption taxes. |

### (Notes to Accounting Standards Not Yet Adopted)

- Accounting Standard for Revenue Recognition (ASBJ Statement No. 29 (revised 2020) issued by the Accounting Standards Board of Japan (ASBJ) on March 31, 2020)
- Implementation Guidance on Accounting Standard for Revenue Recognition (ASBJ Guidance No. 30 (revised 2020) issued by ASBJ on March 31, 2020)
- Implementation Guidance on Disclosures about Fair Value of Financial Instruments (ASBJ Guidance No. 19 (revised 2020) issued by ASBJ on March 31, 2020)

#### (1) Overview

The International Accounting Standards Board (IASB) and the Financial Accounting Standards Board (FASB) jointly developed a comprehensive accounting standard for revenue recognition, and issued it as Revenue from Contracts with Customers (IFRS 15 issued by IASB and Topic 606 issued by FASB) in May 2014. The IFRS 15 is applicable for accounting periods beginning on January 1, 2018 and thereafter, and the Topic 606 is applicable for accounting periods beginning after December 15, 2017. In accordance with this, the ASBJ has developed a comprehensive accounting standard for revenue recognition and issued it together with its implementation guidance.

In developing the accounting standard for revenue recognition, the ASBJ made it a basic policy to adopt the basic principles of the IFRS 15 as a starting point. By doing so, the ASBJ established the accounting standard from the viewpoint of comparability, which is a benefit for securing consistency with the IFRS 15, between financial statements based on the Japanese GAAP and those based on other accounting standards. Alternative treatments are also to be added, to the extent that they do not harm the comparability, in cases where there are items to be considered in the actual practices conducted in Japan to date.

#### (2) Scheduled date of adoption

JPR will adopt the Accounting Standard, etc. from the beginning of the fiscal period ending December 31, 2021.

#### (3) Impact of adoption of the accounting standard and implementation guidance

The amount of impact on the financial statements by the adoption of the Accounting Standard and Implementation Guidance for Revenue Recognition, etc. is being assessed at present.

- Accounting Standard for Fair Value Measurement (ASBJ Statement No. 30 issued by ASBJ on July 4, 2019)
- Accounting Standard for Financial Instruments (ASBJ Statement No. 10 (revised 2019) issued by ASBJ on July 4, 2019)
- Implementation Guidance on Accounting Standard for Fair Value Measurement (ASBJ Guidance No. 31 issued by ASBJ on July 4, 2019)
- Implementation Guidance on Disclosures about Fair Value of Financial Instruments (ASBJ Guidance No. 19 (revised 2020) issued by ASBJ on March 31, 2020)

#### (1) Overview

IASB and FASB have established detailed guidance for fair value measurement (IFRS 13 "Fair Value Measurement" under the International Financial Reporting Standards and Topic 820 "Fair Value Measurement" of the Accounting Standards Codification under the U.S. accounting standards) containing almost the same content. In light of this, the ASBJ worked to secure consistency of the Japanese accounting standards with the international accounting standards, mainly in terms of the guidance on and disclosure of the fair value of financial instruments, and announced the Accounting Standard for Fair Value Measurement, etc.

The basic policy of ASBJ for the development of the Accounting Standard for Fair Value Measurement was to adopt all provisions of the IFRS 13 as a rule by using a unified calculation method, from the viewpoint of improving the comparability between the financial statements of the Japanese and foreign companies. Moreover, in consideration of the practices conducted in Japan to date, ASBJ determined to establish other treatments for individual items, to the extent that they do not greatly harm the comparability between the financial statements.

#### (2) Scheduled date of adoption

JPR will adopt the Accounting Standards, etc. from the beginning of the fiscal period ending December 31, 2021.

#### (3) Impact of adoption of the accounting standard and implementation guidance

The amount of impact on the financial statements by the adoption of the Accounting Standard and Implementation Guidance for Fair Value Measurement, etc. is being assessed at present.

- Accounting Standard for Disclosure of Accounting Estimates (ASBJ Statement No. 31 issued by ASBJ on March 31, 2020)

#### (1) Overview

With regard to the "sources of estimation uncertainty" for which disclosure is required under Paragraph 125 of the International Accounting Standards ("IAS") 1 "Presentation of Financial Statements" ("IAS 1") issued by IASB in 2003, requests were made for ASBJ to investigate the requirement of disclosure of such information in the form of notes under the Japanese GAAP as useful information for users of financial statements. Accordingly, ASBJ has developed and published the Accounting Standard for Disclosure of Accounting Estimates (the "Accounting Standard").

The basic policy of ASBJ for the development of the Accounting Standard was to provide general principles (disclosure objectives), instead of expanding required information in the notes, and let companies determine specific disclosure contents in light of the disclosure objectives. In developing the Standard, ASBJ referred to the provisions of the Paragraph 125 of the IAS 1.

## (2) Scheduled date of adoption

JPR will adopt the Accounting Standard from the end of the fiscal period ending June 30, 2021.

- Accounting Standard for Accounting Policy Disclosures, Accounting Changes and Error Corrections (ASBJ Statement No. 24 (revised 2020) issued by ASBJ on March 31, 2020)

## (1) Overview

Given the recommendation to investigate enhancement of note information regarding the "accounting principles and procedures adopted in cases when provisions of relevant accounting standards are not clear," ASBJ has made necessary amendments and published the Accounting Standard for Accounting Policy Disclosures, Accounting Changes and Error Corrections.

Furthermore, ASBJ has determined that, when enhancing the note information regarding the "accounting principles and procedures adopted in cases when provisions of relevant accounting standards are not clear," the provisions in the Notes on Corporate Accounting Principles (Note 1-2) shall be followed as before in order to avoid any impact on the practices taken to date when the provisions of relevant accounting standards are clear.

## (2) Scheduled date of adoption

JPR will adopt the Accounting Standard from the end of the fiscal period ending June 30, 2021.

**(Notes to Balance Sheets)**

## 1. Balance of Unused Commitment Line

JPR has executed a commitment line agreement with its principal banks primarily to minimize refinancing risks and enhance financial stability.

(Thousands of yen)

	End of 37th Fiscal Period (as of June 30, 2020)	End of 38th Fiscal Period (as of December 31, 2020)
Credit limit	24,000,000	24,000,000
Outstanding debts at end of period	—	—
Unused commitment line at end of period	24,000,000	24,000,000

## \*2 Minimum Total Unitholders' Equity Designated in Article 67- 4 in the Act on Investment Trusts and Investment Corporations

(Thousands of yen)

	End of 37th Fiscal Period (as of June 30, 2020)	End of 38th Fiscal Period (as of December 31, 2020)
	50,000	50,000

**(Notes to Statements of Income and Retained Earnings)**

## \*1. Breakdown of Rent Revenue-Real Estate and Expenses Related to Rent Business

(Thousands of yen)

	37th Fiscal Period (January 1, 2020 – June 30, 2020)	38th Fiscal Period (July 1, 2020 – December 31, 2020)
<b>A. Rent Revenue-Real Estate</b>		
Rent Revenue		
Rents	11,965,339	12,097,265
Land rents	1,783,500	1,793,000
Common charges	1,554,972	1,519,164
Parking fees	267,620	270,903
Advertising fees	37,179	38,051
Antenna usage fees	27,608	28,626
Other	38,183	41,304
Subtotal	15,674,404	15,788,315
Other rental revenues		
Incidental rent income	620,296	833,557
Time-based parking fees	8,432	8,730
Cancellation charges	9,088	15,300
Income equivalent to expenses for restoration to original condition	21,910	37,722
Other miscellaneous income	29,362	31,359
Subtotal	689,090	926,670
Total rent revenue-real estate	16,363,494	16,714,986
<b>B. Expenses Related to Rent Business</b>		
Outsourcing expenses	615,760	630,247
Utilities expenses	712,430	841,010
Property and other taxes	2,358,609	2,387,806
Casualty insurance	26,116	26,863
Repairs and maintenance	602,597	558,378
Property management fees	331,402	306,147
Management association accounts	573,621	585,595
Depreciation	2,027,669	2,085,275
Other	187,999	190,339
Total expenses related to rent business	7,436,206	7,611,662
<b>C. Profits for Rent Business</b>		
(A-B)	8,927,288	9,103,323

## \*2. Breakdown of Gain on Sale of Real Estate, etc.

(Thousands of yen)

	37th Fiscal Period (January 1, 2020 – June 30, 2020)	38th Fiscal Period (July 1, 2020 – December 31, 2020)
JPR Hakata Bldg. (35.0% co-ownership interest)		
Proceeds from sale of real estate	—	1,435,000
Cost of sale of real estate	—	1,011,451
Other expenses related to sale	—	8,617
Gain on sale of real estate	—	414,931

**(Notes to Statements of Changes in Unitholders' Equity)**

	37th Fiscal Period (January 1, 2020 – June 30, 2020)	38th Fiscal Period (July 1, 2020 – December 31, 2020)
Total number of authorized units and number of units outstanding		
Total number of authorized units	5,000,000 units	5,000,000 units
Number of units outstanding	958,250 units	958,250 units

**(Notes to Statements of Cash Flows)**

\*1. Reconciliation of the Amounts of the Cash and Cash Equivalents at End of Period in the Statements of Cash Flows with the Amounts of the Corresponding Accounts on the Balance Sheets

(Thousands of yen)

	37th Fiscal Period (January 1, 2020 – June 30, 2020)	38th Fiscal Period (July 1, 2020 – December 31, 2020)
Cash and deposits	27,126,776	28,598,680
Cash and deposits in trust	12,973,691	12,797,488
Cash and cash equivalents	40,100,467	41,396,168

**(Leases)**

Future minimum lease payments to be received under non-cancelable operating leases

(Thousands of yen)

	37th Fiscal Period (as of June 30, 2020)	38th Fiscal Period (as of December 31, 2020)
Due within one year	6,515,890	6,117,669
Due after one year	13,215,936	11,016,658
Total	19,731,827	17,134,327

**(Financial Instruments)**

1. Matters Concerning Status of Financial Instruments

(1) Policy on Handling Financial Instruments

In an aim to proactively expand asset size and maintain stable cash distributions to unitholders, JPR adopts the asset management policy of paying heed to efficiently combining the procurement of long-term funds that are stable and the procurement of short-term funds that emphasize flexibility.

There may be cases where JPR will engage in derivative transactions, but such will be limited to hedging for interest rate fluctuation risk and other hedging purposes. Please note that JPR is not engaged in derivative transactions at present.

(2) Description of Financial Instruments and Associated Risks, and Risk Management Structure

Tokyo Realty Investment Management, Inc. (TRIM), the asset management company of JPR, strives for risk management by complying with the JPR Asset Management Guidelines and other rules and regulations. The following outlines the description of individual financial instruments and the associated risks, and the risk management.

Deposits are exposed to risks of bankruptcy of the financial institutions holding the deposits and other credit risks, but the risks are managed through such measures as setting a minimum credit rating for the financial institutions holding the deposits.

Loans payable and investment corporation bonds are exposed to liquidity risks at the time of repayment/redemption, but the liquidity risks are managed through such measures as procuring funds from the capital market by increasing capital, executing a commitment line agreement with the main lending financial institutions, and also having statements of cash receipts and disbursements prepared by the financial division.

(3) Supplementary Explanation on Matters Concerning Fair Value, etc. of Financial Instruments

The fair value of financial instruments, aside from values based on market price, include values based on reasonable calculations when there is no market price. Certain assumptions are used in calculating those values and there may be cases where the values will vary when different assumptions are used.

2. Matters Concerning Fair Value, etc. of Financial Instruments

The following are the carrying values and fair values as of June 30, 2020 of financial instruments, and the difference between these amounts. Please note that the following table does not include those for which discerning of fair value is recognized to be extremely difficult (please refer to Note 3).

(Thousands of yen)

	Carrying Value (Note 1)	Estimated Fair Value (Note 1)	Difference
(1) Cash and deposits	27,126,776	27,126,776	—
(2) Cash and deposits in trust	12,973,691	12,973,691	—
(3) Short-term loans payable	—	—	—
(4) Current portion of long-term loans payable	(20,820,000)	(20,896,871)	76,871
(5) Investment corporation bonds	(26,500,000)	(27,476,144)	976,144
(6) Long-term loans payable	(139,700,000)	(141,351,070)	1,651,070

The following are the carrying values and fair values as of December 31, 2020 of financial instruments, and the difference between these amounts. Please note that the following table does not include those for which discerning of fair value is recognized to be extremely difficult (please refer to Note 3)

(Thousands of yen)

	Carrying Value (Note 1)	Estimated Fair Value (Note 1)	Difference
(1) Cash and deposits	28,598,680	28,598,680	—
(2) Cash and deposits in trust	12,797,488	12,797,488	—
(3) Short-term loans payable	(6,000,000)	(6,000,000)	—
(4) Current portion of long-term loans payable	(19,820,000)	(19,879,337)	59,337
(5) Investment corporation bonds	(32,500,000)	(33,484,337)	984,337
(6) Long-term loans payable	(138,200,000)	(139,821,962)	1,621,962

(Note 1) Liabilities are shown in parentheses.

(Note 2) Method of calculation of fair value of financial instruments

(1) Cash and deposits, and (2) Cash and deposits in trust

As these financial instruments are settled within a short period of time, the fair value is approximately the same as the book value and is thus stated at that book value.

(3) Short-term loans payable

As these financial instruments are settled within a short period of time and have floating interest rates, the estimated fair value is approximately the same as the book value and is thus stated at that book value.

(4) Current portion of long-term loans payable, and (6) Long-term loans payable

The fair value of these financial instruments is calculated based on the discounted cash flow method under which the total amount of principal and interests are discounted by the rate assumed as being applicable in the event of a new drawdown whose term is corresponding to the remaining loan term.

(5) Investment corporation bonds

Of the fair value of these financial instruments, those with market price are measured based on market price and those with no market price are calculated in accordance with (4) and (6) above.

(Note 3) Financial instruments for which discerning of fair value is recognized to be extremely difficult.

Tenant leasehold and security deposits and tenant leasehold and security deposits in trust that are deposited by lessees of lease rental properties are not subject to disclosure of fair value because reasonable estimation of cash flows is recognized to be extremely difficult since there is no market price and also since it is difficult to estimate the actual lease term. The following is the carrying value of tenant leasehold and security deposits, and tenant leasehold and security deposits in trust.

(Thousands of yen)

Category	End of 37th Fiscal Period (as of June 30, 2020)	End of 38th Fiscal Period (as of December 31, 2020)
Tenant leasehold and security deposits	9,378,333	10,100,242
Tenant leasehold and security deposits in trust	13,961,750	14,005,614



(Note 4) Scheduled redemption of monetary claims to be due subsequent to the 37th fiscal period end (June 30, 2020)

(Thousands of yen)

	Due in One Year or Less	Due after One Year through Two Years	Due after Two Years through Three Years	Due after Three Years through Four Years	Due after Four Years through Five Years	Due after Five Years
Cash and deposits	27,126,776	—	—	—	—	—
Cash and deposits in trust	12,973,691	—	—	—	—	—

Scheduled redemption of monetary claims to be due subsequent to the 38th fiscal period end (December 31, 2020)

(Thousands of yen)

	Due in One Year or Less	Due after One Year through Two Years	Due after Two Years through Three Years	Due after Three Years through Four Years	Due after Four Years through Five Years	Due after Five Years
Cash and deposits	28,598,680	—	—	—	—	—
Cash and deposits in trust	12,797,488	—	—	—	—	—

(Note 5) Amount of repayment or redemption of short-term loans payable, investment corporation bonds and long-term loans payable scheduled to be due subsequent to the 37th fiscal period end (June 30, 2020)

(Thousands of yen)

	Due in One Year or Less	Due after One Year through Two Years	Due after Two Years through Three Years	Due after Three Years through Four Years	Due after Four Years through Five Years	Due after Five Years
Short-term loans payable	—	—	—	—	—	—
Investment corporation bonds	—	—	2,000,000	5,000,000	3,000,000	16,500,000
Long-term loans payable	20,820,000	20,500,000	16,000,000	20,000,000	21,000,000	62,200,000

Amount of repayment or redemption of short-term loans payable, investment corporation bonds and long-term loans payable scheduled to be due subsequent to the 38th fiscal period end (December 31, 2020)

(Thousands of yen)

	Due in One Year or Less	Due after One Year through Two Years	Due after Two Years through Three Years	Due after Three Years through Four Years	Due after Four Years through Five Years	Due after Five Years
Short-term loans payable	6,000,000	—	—	—	—	—
Investment corporation bonds	—	—	2,000,000	8,000,000	—	22,500,000
Long-term loans payable	19,820,000	18,500,000	21,000,000	15,000,000	23,900,000	59,800,000

**(Securities)**

37th fiscal period (as of June 30, 2020)

Not applicable

38th fiscal period (as of December 31, 2020)

Not applicable

**(Derivative Transactions)**

37th fiscal period (as of June 30, 2020)

Not applicable as JPR entered into no derivative transactions

38th fiscal period (as of December 31, 2020)

Not applicable as JPR entered into no derivative transactions

**(Retirement Benefits)**

37th fiscal period (as of June 30, 2020)

Not applicable as JPR does not have any retirement benefit plans

38th fiscal period (as of December 31, 2020)

Not applicable as JPR does not have any retirement benefit plans

**(Tax Effect Accounting)**

1. Breakdown of Main Items that Caused Differences between the Effective Statutory Tax Rate and the Effective Tax Rate after Applying Tax Effect Accounting

	37th Fiscal Period (January 1, 2020 – June 30, 2020)	38th Fiscal Period (July 1, 2020 – December 31, 2020)
Effective statutory tax rate	31.46%	31.46%
(Adjustment)		
Deductible cash distributions	(31.46%)	(29.80%)
Other	0.01%	(1.65%)
Effective tax rate after applying tax effect accounting	0.01%	0.01%

**(Equity Method Income and Retained Earnings)**

37th fiscal period (January 1, 2020 – June 30, 2020)

Not applicable as JPR does not have any affiliated companies

38th fiscal period (July 1, 2020 – December 31, 2020)

Not applicable as JPR does not have any affiliated companies

**(Transactions with Related Parties)**

1. Parent Company and Major Corporation Unitholders

37th fiscal period (January 1, 2020 – June 30, 2020)

Not applicable

38th fiscal period (July 1, 2020 – December 31, 2020)

Not applicable

2. Affiliated Companies

37th fiscal period (January 1, 2020 – June 30, 2020)

Not applicable

38th fiscal period (July 1, 2020 – December 31, 2020)

Not applicable

3. Sister Companies

37th fiscal period (January 1, 2020 – June 30, 2020)

Not applicable

38th fiscal period (July 1, 2020 – December 31, 2020)

Not applicable

4. Directors and Major Individual Unitholders

37th fiscal period (January 1, 2020 – June 30, 2020)

Not applicable

38th fiscal period (July 1, 2020 – December 31, 2020)

Not applicable

**(Asset Retirement Obligations)**

37th fiscal period (January 1, 2020 – June 30, 2020)

Not applicable

38th fiscal period (July 1, 2020 – December 31, 2020)

Not applicable

**(Segment Information)**

[Segment Information]

Disclosure is omitted as JPR is comprised of a single operating segment engaged in the property rent business.

[Related Information]

37th fiscal period (January 1, 2020 – June 30, 2020)

## 1. Information about Products and Services

Disclosure is omitted as sales to external customers for the single product and service unit is in excess of 90% of operating revenue on the Statements of Income and Retained Earnings.

## 2. Information about Geographic Areas

## (1) Revenues from Overseas Customers

Disclosure is omitted as revenues from domestic external customers are in excess of 90% of total revenues on the Statements of Income and Retained Earnings.

## (2) Property, plant and equipment

Disclosure is omitted as the amount of JPR's property, plant and equipment located in Japan are in excess of 90% of total property, plant and equipment on the Balance Sheets.

## 3. Information about Major Customers

Disclosure is omitted as sales to any single external customer accounts for less than 10% of the operating revenue on the Statements of Income and Retained Earnings.

38th fiscal period (July 1, 2020 – December 31, 2020)

## 1. Information about Products and Services

Disclosure is omitted as sales to external customers for the single product and service unit is in excess of 90% of operating revenue on the Statements of Income and Retained Earnings.

## 2. Information about Geographic Areas

## (1) Revenues from Overseas Customers

Disclosure is omitted as revenues from domestic external customers are in excess of 90% of total revenues on the Statements of Income and Retained Earnings.

## (2) Property, plant and equipment

Disclosure is omitted as the amount of JPR's property, plant and equipment located in Japan are in excess of 90% of total property, plant and equipment on the Balance Sheets.

## 3. Information about Major Customers

Disclosure is omitted as sales to any single external customer accounts for less than 10% of the operating revenue on the Statements of Income and Retained Earnings.

**(Investment and Rental Properties)**

JPR owns office properties (urban commercial facilities), retail properties (urban retail properties) and urban multi-use facilities for leasing in Tokyo and other regions. The following is the carrying value on the Balance Sheets, amount of increase (decrease) during the period and fair value of these investment and rental properties.

(Thousands of yen)

	37th Fiscal Period (January 1, 2020 – June 30, 2020)	38th Fiscal Period (July 1, 2020 – December 31, 2020)
Carrying Value on the Balance Sheets		
Balance at Beginning of Period	414,502,663	431,625,198
Amount of Increase (Decrease) during the Period	17,122,534	10,133,256
Balance at End of Current Period	431,625,198	441,758,455
Fair Value at End of Period	538,627,000	549,949,000

(Note 1) The carrying value on the balance sheets is the purchase cost less accumulated depreciation.

(Note 2) For the 37th fiscal period, the amount of increase is primarily attributable to the acquisition of JPR Shinsaibashi West (3,794,912 thousand yen) and the acquisition of Sencity Bldg. (14,013,667 thousand yen), and the amount of decrease is primarily attributable to depreciation (2,027,669 thousand yen). For the 38th fiscal period, the amount of increase is primarily attributable to the acquisition of Otemachi Financial City North Tower (11,541,078 thousand yen), and the amount of decrease is primarily attributable to the sale of JPR Hakata Bldg. (35.0% co-ownership interest) (1,011,451 thousand yen) and depreciation (2,085,275 thousand yen).

(Note 3) The fair value at end of the current period is the appraisal value or survey value as appraised by an outside real estate appraiser.

The income (loss) in the 37th and 38th fiscal periods for investment and rental properties are as presented in the “Notes to Statements of Income and Retained Earnings.”

**(Per Unit Information)**

	37th Fiscal Period (January 1, 2020 – June 30, 2020)	38th Fiscal Period (July 1, 2020 – December 31, 2020)
Total net assets per unit	266,984 yen	267,570 yen
Net income per unit	7,690 yen	8,181 yen

(Note 1) Net income per unit is computed by dividing net income by the weighted-average number of units outstanding during the current fiscal period. Diluted net income per unit has not been presented since no subscription rights to shares are outstanding.

(Note 2) Net income per unit was calculated based on the following data:

	37th Fiscal Period (January 1, 2020 – June 30, 2020)	38th Fiscal Period (July 1, 2020 – December 31, 2020)
Net income (thousands of yen)	7,276,845	7,839,720
Amounts not attributable to ordinary unitholders (thousands of yen)	—	—
Net income attributable to ordinary investment units (thousands of yen)	7,276,845	7,839,720
Average number of units during the fiscal period	946,241 units	958,250 units

**(Subsequent Events)***Issuance of unsecured investment corporation bonds*

Based on the comprehensive resolution concerning the issuance of investment corporation bonds made at its Board of Directors meeting held on April 23, 2020, JPR decided on March 5, 2021 to issue bonds as described below. The payment completed on March 16, 2021.

Name of the investment corporation bonds	Japan Prime Realty Investment Corporation 26th Series of Unsecured Investment Corporation Bonds (with special pari passu conditions among specified investment corporation bonds)		
Total amount of the investment corporation bonds	3.0 billion yen	Subscription period	March 5, 2021
Interest rate	0.760% per annum	Payment date	March 16, 2021
Collateral	Unsecured and unguaranteed	Purchase price	100 yen per 100 yen of the investment corporation bonds
Redemption method and date	The total amount of the bonds will be redeemed on March 14, 2036. The bonds may be repurchased and cancelled at the option of JPR at any time on and after the day following the payment date, unless otherwise determined by the book-entry transfer agent.		
Use of funds	Partial early repayment of short-term loans payable		

## (7) Detailed Schedules

## 1) Schedule of Securities

Not applicable

## 2) Status of Contract Amounts, etc. and Fair Value of Derivative Transactions and Forward Exchange Transactions

Not applicable

## 3) Schedule of Assets Related to Real Estate

Asset Type	Balance as of July 1, 2020 (thousands of yen)	Increase during the Period (thousands of yen)	Decrease during the Period (thousands of yen)	Balance as of December 31, 2020 (thousands of yen)	Accumulated Depreciation		Net Balance as of December 31, 2020 (thousands of yen)	Remarks	
					Or Accumulated Amortization (thousands of yen)	Depreciation during the Period (thousands of yen)			
Current Assets	—	—	—	—	—	—	—		
Noncurrent Assets									
(Property, plant and equipment)									
Buildings	64,616,121	2,210,087	—	66,826,208	20,760,217	950,320	46,065,991	Property acquisition	
Structures	62,220	11,337	—	73,557	30,266	1,854	43,291		
Machinery and equipment	838,393	70,611	—	909,004	589,358	24,902	319,646		
Tools, furniture and fixtures	143,061	26,948	—	170,010	79,189	7,821	90,821		
Land	123,264,320	10,077,567	—	133,341,887	—	—	133,341,887		
Construction in progress	1,219	400	600	1,019	—	—	1,019		
Subtotal	188,925,336	12,396,953	600	201,321,689	21,459,031	984,897	179,862,658		
(Beneficiary interests in trust)									
Buildings in trust	95,176,039	772,221	742,107	95,206,152	37,264,443	1,059,346	57,941,709		
Structures in trust	133,739	4,206	2,527	135,419	82,417	2,920	53,001		
Machinery and equipment in trust	1,929,556	25,971	23,505	1,932,022	1,476,358	28,777	455,663		
Tools, furniture and fixtures in trust	252,219	31,050	3,839	279,430	184,639	9,267	94,790		
Land in trust	192,157,692	—	610,294	191,547,397	—	—	191,547,397		
Construction in progress in trust	150	330	150	330	—	—	330		
Subtotal	289,649,397	833,780	1,382,425	289,100,752	39,007,860	1,100,312	250,092,892		
Total	478,574,734	13,230,733	1,383,025	490,422,442	60,466,891	2,085,210	429,955,550		
Intangible Assets									
Leasehold right	11,801,831	—	—	11,801,831	—	—	11,801,831		
Other	5,849	285	—	6,134	2,687	411	3,446		
Total	11,807,680	285	—	11,807,965	2,687	411	11,805,277		

(Note 1) The "Increase during the Period" is due to property acquisition and construction works, etc.

(Note 2) The "Decrease during the Period" is due to the transfer to relevant accounts as a result of construction completion for construction in progress and construction in progress in trust, and due to property sale, etc. for buildings in trust, structures in trust, machinery and equipment in trust, tools, furniture and fixtures in trust and land in trust.

## 4) Schedule of Other Specified Assets

Not applicable

## 5) Schedule of Investment Corporation Bonds

Name	Issue Date	Balance as of July 1, 2020 (thousands of yen)	Decrease during the Period (thousands of yen)	Balance as of December 31, 2020 (thousands of yen)	Coupon Rate (%)	Maturity Date	Use	Remarks	
Seventh Series of Investment Corporation Bonds (Note 1)	Dec. 14, 2006	4,500,000	—	4,500,000	2.900	Dec. 14, 2026	(Note 2)	Unsecured	
Eighteenth Series of Investment Corporation Bonds (Note 1)	May 31, 2013	2,000,000	—	2,000,000	1.460	May 31, 2023			
Nineteenth Series of Investment Corporation Bonds (Note 1)	Feb. 5, 2014	5,000,000	—	5,000,000	1.110	Feb. 5, 2024			
Twenty-first Series of Investment Corporation Bonds (Note 1)	Jul. 22, 2014	4,000,000	—	4,000,000	1.278	Jul. 22, 2026			
Twenty-second Series of Investment Corporation Bonds (Note 1)	Dec. 4, 2014	3,000,000	—	3,000,000	0.831	Dec. 4, 2024			
Twenty-third Series of Investment Corporation Bonds (Note 1)	May 31, 2018	3,000,000	—	3,000,000	0.550	May 31, 2028			
Twenty-fourth Series of Investment Corporation Bonds (Green Bonds) (Note 1)	Jul. 31, 2019	5,000,000	—	5,000,000	0.570	Jul. 31, 2029			
Twenty-fifth Series of Investment Corporation Bonds (Green Bonds) (Note 1)	Nov. 26, 2020	—	—	6,000,000	0.510	Nov. 26, 2030			
Total		26,500,000	—	32,500,000					

(Note 1) These investment corporation bonds are equipped with the same rank rider limited among certain investment corporation bonds.

(Note 2) Funds are used for purchasing real estate or real estate beneficiary interest in trust (including accompanying expenses), repaying loans payable and redeeming investment corporation bonds, etc.

(Note 3) Amounts of investment corporation bonds to be redeemed within five years after the date of the balance sheets are as follows.

	Due in One Year or Less (thousands of yen)	Due after One Year through Two Years (thousands of yen)	Due after Two Years through Three Years (thousands of yen)	Due after Three Years through Four Years (thousands of yen)	Due after Four Years through Five Years (thousands of yen)
Investment corporation bonds	—	—	2,000,000	8,000,000	—

6) Schedule of Loans Payable

Lender	Balance as of July 1, 2020 (thousands of yen)	Increase during Current Period (thousands of yen)	Decrease during Current Period (thousands of yen)	Balance as of December 31, 2020 (thousands of yen)	Average Interest Rate (Note 2) (Note 3)	Repayment Date	Use	Remarks
<b>Short-Term Loans Payable</b>								
Mizuho Bank Ltd.	—	6,000,000	—	6,000,000	0.188%	Jul.5, 2021	(Note 4)	Unsecured/ Unguaranteed
<b>Total</b>	<b>—</b>	<b>6,000,000</b>	<b>—</b>	<b>6,000,000</b>				

Lender	Balance as of July 1, 2020 (thousands of yen)	Increase during Current Period (thousands of yen)	Decrease during Current Period (thousands of yen)	Balance as of December 31, 2020 (thousands of yen)	Average Interest Rate (Note 2) (Note 3)	Repayment Date	Use	Remarks
<b>Long-Term Loans Payable (Note 1)</b>								
Mizuho Bank Ltd.	3,000,000	—	3,000,000	—	0.970%	Nov. 27, 2020	(Note 4)	Unsecured/ Unguaranteed
Mizuho Bank Ltd.	3,000,000	—	—	3,000,000	0.351%	Mar. 30, 2021		
Mizuho Bank Ltd.	4,000,000	—	—	4,000,000	0.400%	Mar. 30, 2022		
Mizuho Bank Ltd.	5,000,000	—	—	5,000,000	1.178%	Jun. 27, 2023		
Mizuho Bank Ltd.	2,000,000	—	—	2,000,000	1.011%	Mar. 11, 2024		
Mizuho Bank Ltd.	2,000,000	—	—	2,000,000	1.056%	Mar. 24, 2025		
Mizuho Bank Ltd.	5,000,000	—	—	5,000,000	0.804%	Feb. 4, 2026		
Mizuho Bank Ltd.	1,000,000	—	—	1,000,000	0.795%	Nov. 19, 2027		
Mizuho Bank Ltd.	2,000,000	—	—	2,000,000	0.646%	Dec. 5, 2029		
MUFG Bank, Ltd.	3,000,000	—	3,000,000	—	0.970%	Nov. 27, 2020		
MUFG Bank, Ltd.	4,000,000	—	—	4,000,000	0.889%	Jun. 25, 2021		
MUFG Bank, Ltd.	1,000,000	—	—	1,000,000	0.873%	Aug. 31, 2023		
MUFG Bank, Ltd.	5,000,000	—	—	5,000,000	0.510%	Mar. 25, 2024		
MUFG Bank, Ltd.	2,000,000	—	—	2,000,000	0.633%	Dec. 13, 2024		
MUFG Bank, Ltd.	1,000,000	—	—	1,000,000	0.638%	Aug. 8, 2025		
MUFG Bank, Ltd.	5,000,000	—	—	5,000,000	0.600%	Aug. 29, 2025		
MUFG Bank, Ltd.	3,000,000	—	—	3,000,000	0.593%	Sep. 5, 2025		
Sumitomo Mitsui Banking Corporation	2,000,000	—	—	2,000,000	0.351%	Mar. 30, 2021		
Sumitomo Mitsui Banking Corporation	4,000,000	—	—	4,000,000	0.400%	Mar. 30, 2022		
Sumitomo Mitsui Banking Corporation	2,500,000	—	—	2,500,000	1.033%	Jun. 27, 2022		
Sumitomo Mitsui Banking Corporation	1,000,000	—	—	1,000,000	0.245%	Dec. 5, 2023		
Sumitomo Mitsui Banking Corporation	3,000,000	—	—	3,000,000	0.300%	Jun. 26, 2025		
Development Bank of Japan, Inc.	820,000	—	—	820,000	1.449%	Jun. 25, 2021		
Development Bank of Japan, Inc.	2,000,000	—	—	2,000,000	1.188%	Dec. 3, 2021		
Development Bank of Japan, Inc.	2,000,000	—	—	2,000,000	1.056%	Mar. 24, 2025		
Development Bank of Japan, Inc.	3,000,000	—	—	3,000,000	0.843%	Jun. 14, 2027		
Development Bank of Japan, Inc.	1,000,000	—	—	1,000,000	0.795%	Nov. 19, 2027		
Development Bank of Japan, Inc.	2,100,000	—	—	2,100,000	0.572%	Jun. 27, 2029		
Shinsei Bank, Ltd.	2,000,000	—	2,000,000	—	1.076%	Sep. 24, 2020		
Shinsei Bank, Ltd.	2,000,000	—	—	2,000,000	1.134%	Dec. 5, 2024		
Shinsei Bank, Ltd.	1,000,000	—	—	1,000,000	0.843%	Jun. 14, 2027		
Shinsei Bank, Ltd.	—	1,000,000	—	1,000,000	0.525%	Sep. 25, 2028		
Shinsei Bank, Ltd.	5,000,000	—	—	5,000,000	0.673%	Apr. 5, 2029		
Shinsei Bank, Ltd.	—	1,000,000	—	1,000,000	0.675%	Sep. 24, 2030		
Shinkin Central Bank	2,000,000	—	—	2,000,000	0.388%	Dec. 14, 2021		
Shinkin Central Bank	3,000,000	—	—	3,000,000	0.663%	Jun. 4, 2027		
Shinkin Central Bank	2,000,000	—	—	2,000,000	0.447%	Dec. 27, 2027		
The Norinchukin Bank	2,000,000	—	—	2,000,000	0.388%	Dec. 14, 2021		
The Norinchukin Bank	1,000,000	—	—	1,000,000	0.604%	Jun. 5, 2025		
The Norinchukin Bank	2,000,000	—	—	2,000,000	0.405%	Jun. 25, 2027		
The Norinchukin Bank	—	2,000,000	—	2,000,000	0.525%	Dec. 25, 2028		
Mizuho Trust & Banking Co., Ltd.	3,000,000	—	—	3,000,000	0.586%	Feb. 4, 2030		
Mizuho Trust & Banking Co., Ltd.	2,000,000	—	—	2,000,000	0.606%	Mar. 29, 2030		
Mizuho Trust & Banking Co., Ltd.	—	2,000,000	—	2,000,000	0.675%	Dec. 24, 2030		
The Bank of Fukuoka, Ltd.	2,000,000	—	—	2,000,000	0.816%	Oct. 6, 2023		
The Bank of Fukuoka, Ltd.	2,000,000	—	—	2,000,000	0.480%	Jul. 7, 2026		
The Bank of Fukuoka, Ltd.	1,000,000	—	—	1,000,000	0.554%	Sep. 21, 2029		
The Bank of Fukuoka, Ltd.	1,000,000	—	—	1,000,000	0.598%	Jan. 30, 2030		

Lender	Balance as of July 1, 2020 (thousands of yen)	Increase during Current Period (thousands of yen)	Decrease during Current Period (thousands of yen)	Balance as of December 31, 2020 (thousands of yen)	Average Interest Rate (Note 2) (Note 3)	Repayment Date	Use	Remarks		
<b>Long-Term Loans Payable (Note 1)</b>										
Aozora Bank Ltd.	1,000,000	—	1,000,000	—	1.069%	Sep. 24, 2020	(Note 4)	Unsecured/ Unguaranteed		
Aozora Bank Ltd.	1,000,000	—	—	1,000,000	0.534%	Aug. 23, 2024				
Aozora Bank Ltd.	2,000,000	—	—	2,000,000	0.553%	Feb. 25, 2025				
Aozora Bank Ltd.	1,000,000	—	—	1,000,000	0.574%	Feb. 25, 2025				
Aozora Bank Ltd.	900,000	—	—	900,000	0.625%	Jul. 3, 2025				
Aozora Bank Ltd.	—	500,000	—	500,000	0.525%	Sep. 25, 2028				
Meiji Yasuda Life Insurance Company	1,000,000	—	—	1,000,000	1.042%	Feb. 5, 2025				
Meiji Yasuda Life Insurance Company	3,200,000	—	—	3,200,000	0.813%	Jun. 21, 2028				
Sumitomo Life Insurance Company	2,000,000	—	—	2,000,000	0.453%	Oct. 11, 2024				
Sumitomo Life Insurance Company	1,000,000	—	—	1,000,000	0.583%	Jul. 20, 2029				
Sumitomo Life Insurance Company	1,000,000	—	—	1,000,000	0.598%	Jan. 30, 2030				
The Shinkumi Federation Bank	4,000,000	—	—	4,000,000	0.404%	Aug. 5, 2022				
The Nishi-Nippon City Bank, Ltd.	1,000,000	—	—	1,000,000	0.388%	Dec. 14, 2021				
The Nishi-Nippon City Bank, Ltd.	3,000,000	—	—	3,000,000	0.646%	May 27, 2026				
Taiyo Life Insurance Company	1,000,000	—	1,000,000	—	1.011%	Dec. 25, 2020				
Taiyo Life Insurance Company	1,000,000	—	—	1,000,000	0.969%	Sep. 24, 2024				
Taiyo Life Insurance Company	1,000,000	—	—	1,000,000	0.811%	Jun. 5, 2028				
Taiyo Life Insurance Company	—	1,000,000	—	1,000,000	0.675%	Dec. 24, 2030				
The Chugoku Bank, Ltd.	2,000,000	—	—	2,000,000	0.816%	Oct. 6, 2023				
The Chugoku Bank, Ltd.	1,000,000	—	—	1,000,000	0.661%	Mar. 25, 2026				
The Iyo Bank, Ltd.	1,000,000	—	—	1,000,000	0.816%	Oct. 6, 2023				
The Iyo Bank, Ltd.	1,000,000	—	—	1,000,000	0.598%	Jan. 30, 2030				
National Mutual Insurance Federation of Agricultural Cooperatives	2,000,000	—	—	2,000,000	0.388%	Dec. 14, 2021				
Sompo Japan Insurance Inc.	2,000,000	—	—	2,000,000	0.759%	Dec. 25, 2023				
Nippon Life Insurance Company	2,000,000	—	—	2,000,000	0.225%	Nov. 22, 2023				
The Hachijuni Bank, Ltd.	1,000,000	—	1,000,000	—	0.489%	Oct. 9, 2020				
The Hachijuni Bank, Ltd.	1,000,000	—	—	1,000,000	0.209%	Sep. 24, 2021				
The Hachijuni Bank, Ltd.	—	1,000,000	—	1,000,000	0.300%	Oct. 9, 2025				
The Yamaguchi Bank, Ltd.	1,000,000	—	—	1,000,000	0.795%	Nov. 19, 2027				
The Yamaguchi Bank, Ltd.	1,000,000	—	—	1,000,000	0.598%	Jan. 30, 2030				
Resona Bank, Ltd.	2,000,000	—	—	2,000,000	0.438%	Sep. 30, 2022				
NTT FINANCE CORPORATION	1,000,000	—	—	1,000,000	0.408%	May 31, 2023				
The Kiyo Bank, Ltd.	1,000,000	—	—	1,000,000	0.598%	Jan. 30, 2030				
The 77 Bank, Ltd.	1,000,000	—	—	1,000,000	0.408%	May 31, 2023				
The Daishi Bank, Ltd. (Note 5)	1,000,000	—	—	1,000,000	0.396%	Nov. 21, 2022				
Daido Life Insurance Company	1,000,000	—	—	1,000,000	0.316%	Dec. 25, 2023				
The Chiba Bank, Ltd.	1,000,000	—	—	1,000,000	0.449%	Oct. 25, 2023				
Tokio Marine & Nichido Fire Insurance Co., Ltd.	1,000,000	—	—	1,000,000	0.299%	Jun. 27, 2023				
The Hyakugo Bank, Ltd.	1,000,000	—	—	1,000,000	0.582%	Apr. 25, 2025				
The Hiroshima Bank, Ltd.	1,000,000	—	—	1,000,000	0.396%	Nov. 21, 2022				
Mitsui Sumitomo Insurance Company, Limited	1,000,000	—	—	1,000,000	0.310%	Oct. 2, 2026				
Sumitomo Mitsui Trust Bank Limited	1,000,000	—	—	1,000,000	0.691%	Mar. 25, 2026				
<b>Total</b>	<b>160,520,000</b>	<b>8,500,000</b>	<b>11,000,000</b>	<b>158,020,000</b>						

(Note 1) Amounts of long-term loans payable to be repaid within five years after the date of the balance sheets are as follows.

	Due in One Year or Less (thousands of yen)	Due after One Year through Two Years (thousands of yen)	Due after Two Years through Three Years (thousands of yen)	Due after Three Years through Four Years (thousands of yen)	Due after Four Years through Five Years (thousands of yen)
Long-term loans payable	19,820,000	18,500,000	21,000,000	15,000,000	23,900,000

(Note 2) The average interest rates represent the weighted-averages during the fiscal period, and are rounded to the third decimal place. Furthermore, fees related to loan arrangement paid to the above lenders are not included.

(Note 3) Short-term loans payable are floating-rate loans payable. Long-term loans payable are fixed-rate loans payable.

(Note 4) Funds are used for purchasing real estate or real estate beneficiary interests in trust (including accompanying expenses), repaying loans payable and redemption of investment corporation bonds, etc.

(Note 5) The Daishi Bank, Ltd. changed its name to Daishi Hokuetsu Bank, Ltd. as of January 1, 2021 upon the merger with The Hokuetsu Bank, Ltd.

## (8) Independent Auditor's Report



Ernst & Young ShinNihon LLC  
Hibiya Mitsui Tower, Tokyo Midtown Hibiya  
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Tokyo 100-0006, Japan

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Fax: +81 3 3503 1197  
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### Independent Auditor's Report

The Board of Directors  
Japan Prime Realty Investment Corporation..

#### Opinion

We have audited the accompanying financial statements of Japan Prime Realty Investment Corporation,(the Company), which comprise the balance sheets as at December 31, 2020, and the statements of income and retained earnings, changes in unitholders' equity, cash distributions, and cash flows for the six-month period then ended and a summary of significant accounting policies and other explanatory information, all expressed in Japanese yen.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020, and its financial performance and its cash flows for the six-month period then ended in accordance with accounting principles generally accepted in Japan.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and Supervising Officer for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

The Supervising Officer is responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.



- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the financial statements is not expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.

We communicate with the Executive Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


We also provide the Executive Officer with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan


Our firm and its designated engagement partners do not have any interest in the Company which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Ernst & Young ShinNihon LLC  
Tokyo, Japan

March 24, 2020

小島 亘司 

Koji Ojima  
Designated Engagement Partner  
Certified Public Accountant

安部 里史 

Satoshi Abe  
Designated Engagement Partner  
Certified Public Accountant

(9) Other Notes (Information only)

(Property and Equipment Leased to JPR)

37th Fiscal Period (January 1, 2020 – June 30, 2020)	38th Fiscal Period (July 1, 2020 – December 31, 2020)
No property and equipment was leased to JPR	No property and equipment was leased to JPR

(Transactions with Interested Parties)

37th fiscal period (January 1, 2020 – June 30, 2020)

Attribute	Name of Company, etc.	Business Description or Occupation	Percentage of Number of Investment Units Held Among Total Number of Investment Units	Transactions	Transaction Amount (thousands of yen)	Account	Balance at End of Period (thousands of yen)
Interested party	Tokyo Tatemono Co., Ltd.	Real estate business	3.05%	Purchase of real estate beneficiary interest	3,750,000	—	—
Asset Custodian	Mizuho Trust & Banking Co., Ltd.	Banking business and trust business	—	Repayment of long-term loans payable	7,000,000	—	—
				Borrowing of long-term loans payable	5,000,000	Long-term loans payable	5,000,000
				Interest expenses	16,278	Accrued expenses	325

(Note) Transaction terms are determined based on prevailing market conditions.

38th fiscal period (July 1, 2020 – December 31, 2020)

Attribute	Name of Company, etc.	Business Description or Occupation	Percentage of Number of Investment Units Held Among Total Number of Investment Units	Transactions	Transaction Amount (thousands of yen)	Account	Balance at End of Period (thousands of yen)
Interested party	Tokyo Tatemono Co., Ltd.	Real estate business	3.05%	Purchase of real estate	11,400,000	—	—
				Sale of real estate beneficiary interest	1,435,000	—	—
Asset Custodian	Mizuho Trust & Banking Co., Ltd.	Banking business and trust business	—	Borrowing of long-term loans payable	2,000,000	Long-term loans payable	7,000,000
				Interest expenses	15,230	Accrued expenses	747

(Note) Transaction terms are determined based on prevailing market conditions.

Status of Investment Unit Price (as of December 31, 2020)

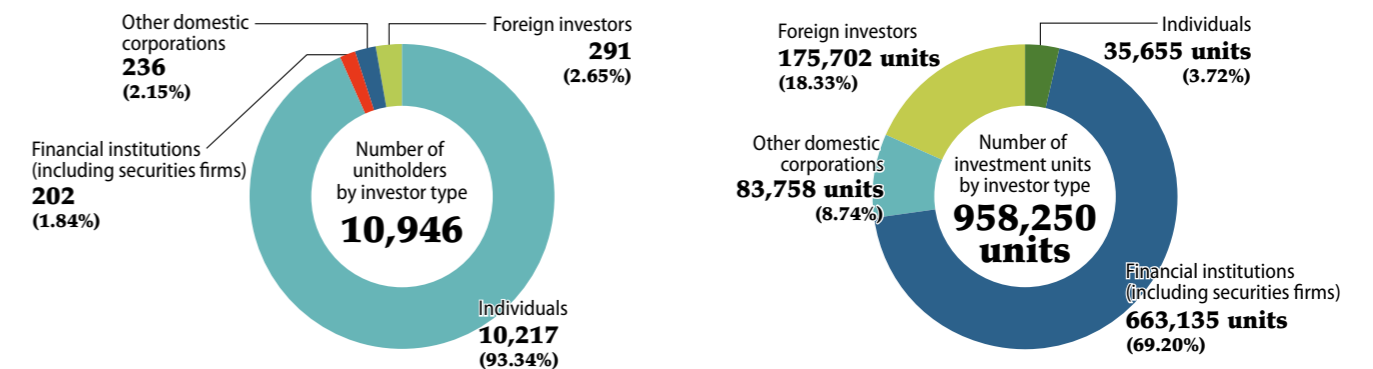
Market capitalization: **¥327.7 billion**  
 Unit price at end of 38th Fiscal Period: **¥342,000**

High: **¥564,000** (May 7, 2007)  
 Low: **¥130,300** (October 28, 2008)



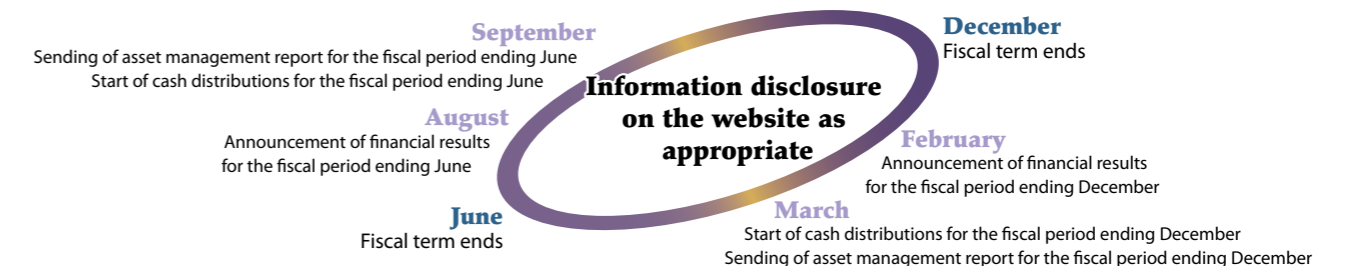
(Note) Unit prices are based on closing prices.

Breakdown of Unitholders (as of December 31, 2020)



(Note) The composition ratio is rounded down to the second decimal place.

Annual Schedule (provisional)



JPR endeavors to conduct IR activities and information provision by offering a variety of contents on its website in order to secure timely disclosure of information to investors and help them gain a better understanding of JPR.

In light of the societal requirements for solving social and environmental issues growing globally, JPR has renewed the ESG initiatives pages to appropriately disclose its activity status.



**Point 1**

**Digest of Financial Results**



**Point 2**

**Initiatives on ESG**



**Point 3**

**Property Overview**



**IR Mail Delivery Service**

The IR Mail Delivery Service provides information on JPR in a timely manner to registered persons. If you wish to be registered, please click this icon to apply.



## Notes for Investors

<b>Fiscal Period Ends</b>	June 30 and December 31 of each year
<b>General Meeting of Unitholders</b>	At least once every two years
<b>Base Date of General Meeting of Unitholders</b>	The date designated pursuant to JPR's Articles of Incorporation
<b>Cash Distribution Payment Eligibility</b>	Unitholders of record as of June 30 and December 31 of each year
<b>Transfer Agent</b>	Mizuho Trust & Banking Co., Ltd. 2-1 Yaesu 1-chome, Chuo-ku, Tokyo
<b>Location of Records</b>	Main Branch, Stock Transfer Agency Division Mizuho Trust & Banking Co., Ltd. 2-1 Yaesu 1-chome, Chuo-ku, Tokyo
<b>Mailing Address</b>	Stock Transfer Agency Division Mizuho Trust & Banking Co., Ltd. 2-8-4 Izumi, Suginami-ku, Tokyo 168-8507
<b>Contact by Phone</b>	0120-288-324 (toll-free only in Japan)
<b>Listing</b>	Tokyo Stock Exchange (Securities Code: 8955)

### Procedures for Change of Address

For filing or inquiring about a change of address, please contact your securities company with whom you have an account. For unitholders who have not utilized Japan Securities Depository Center, Inc. before the dematerialization of stock certificates, accounts (special accounts) have been opened at Mizuho Trust & Banking Co., Ltd., JPR's transfer agent. For filing or inquiring about a change of address and other matters with regard to your special account, please direct them to the contact number indicated above.

### Cash Distributions

Cash distributions can be collected by bringing the "unitholder dividend receipt" to the nearest Japan Post Bank main or branch office, sub-branch office or post office (bank agent) in Japan. If the collection period has elapsed, please make your collection by designating the collection method on the back of the "unitholder dividend receipt" and mailing it to Mizuho Trust & Banking's Stock Transfer Agency Division. Cash distributions can also be collected at the main or branch offices of Mizuho Trust & Banking (excluding the Trust Lounge) and Mizuho Bank, Ltd.

If you wish to designate a transfer of cash distributions to a bank, etc., please contact your securities company (if you have an account with the company) or Mizuho Trust & Banking (if a special account has been opened), as in the case of changing the address, etc. above.

(Note) According to the provisions of JPR's Articles of Incorporation, cash distributions will become irrevocable if they remain unclaimed for three full years from the date on which payment commenced. We advise that cash distributions be received as soon as possible.