

**37<sup>th</sup>**

Security code 8955

## Japan Prime Realty Investment Corporation

Presentation Material For the 37th Fiscal Period  
Ended June 2020

(Asset Manager)

Tokyo Realty Investment Management, Inc.



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(million yen)	December 2019 Period Result	June 2020 Period Result	Period-on-period comparison		Compared with forecast		December 2020 Period Forecast	June 2021 Period Forecast
			Increase/ Decrease	Rate of Change	Increase/ Decrease	Rate of Change		
Operating revenue	16,005	<b>16,363</b>	+357	+2.2%	-76	-0.5%	16,695 +2.0% (period-on-period)	16,475 -1.3% (period-on-period)
Rental income-real estate	8,467	<b>8,927</b>	+460	+5.4%	+25	+0.3%	9,045 +1.3% (period-on-period)	8,806 -2.6% (period-on-period)
Operating income	7,684	<b>8,013</b>	+328	+4.3%	+23	+0.3%	8,100 +1.1% (period-on-period)	7,866 -2.9% (period-on-period)
Ordinary income	6,915	<b>7,277</b>	+362	+5.2%	-9	-0.1%	7,399 +1.7% (period-on-period)	7,188 -2.8% (period-on-period)
Net income	6,914	<b>7,276</b>	+362	+5.2%	-9	-0.1%	7,398 +1.7% (period-on-period)	7,187 -2.8% (period-on-period)
Distribution per unit (yen)	7,493	<b>7,595</b>	+102	+1.4%	+5	+0.1%	7,720 +1.6% (period-on-period)	7,500 -2.8% (period-on-period)

## Internal Growth

	Jun. '20 period (37th)	Change Increase or decrease
Occupancy rate (period average)	<b>99.6%</b>	+0.1%pt
Monthly upward revision (net)	<b>+32.8</b> million yen	+9.1 million yen
Rate of upward revision (net)	<b>+4.3%</b>	-0.8%pt
Gap in rent	<b>-4.8%</b>	+2.1%pt

### Business environment perception/ Outlook

- The economy experienced a sharp downturn primarily due to the effects of COVID-19.
- Following the declaration of a state of emergency, many commercial tenants voluntarily suspended operations or shortened their operating hours. As a result, JPR also temporarily reduced rents or offered rent payment holidays. Rents for office tenants were not reduced.
- Properties owned by JPR maintained high levels of occupancy and the upward revision of rents also progressed well.
- The temporary reduction of rents in response to COVID-19 is expected to end in the Dec. '20 period.
- Delays in leasing activities and slowdown in the upward revision of rents are expected for the time being.
- Aim to keep raising rents by strengthening relations with tenants and keep costs at a reasonable level.

## External Growth

	End of Jun. '20 (37th)	Change Increase or decrease
Asset size	<b>457.1</b> billion yen	+17.62 billion yen
Number of Properties	<b>65</b>	+2

Properties to be acquired in Jun. '20 (37th) period



Sencity Bldg.  
Acquisition price  
13.87 billion yen



Minami Semba Bldg.  
Acquisition price  
3.75 billion yen

### Business environment perception/ Outlook

- On the office investment market, it is still hard to acquire properties. There is little information about prime properties for sale and no sign of any fall in prices.
- Make selective investments focusing on sponsors' pipelines.
- Hotels and commercial property acquisitions will be postponed for the time being.

## Financial Strategy

	End of Jun. '20 (37th)	Change Increase or decrease
LTV	<b>39.5%</b>	-1.3%pt
Average debt cost	<b>0.78%</b>	-0.03%pt
Average maturity	<b>4.6</b> years	- years
Ratio of long-term, fixed interest rate debts	<b>100%</b>	+0.5%pt

### Business environment perception/ Outlook

- Lowered LTV to 39.5% through capital increase by way of public offering.
- Financing environment does not appear to have changed dramatically due to COVID-19.
- Continue to conduct operations conservatively using long-term loans with fixed interest rates, in principle.

## ESG

GRESB	<b>5 Star</b> Public Disclosure Level <b>A</b>
Reduction in GHG intensity (based on tCO <sub>2</sub> /m <sup>2</sup> )	<b>2.8%</b> (down 4.0%pt in previous period)
Percentage of properties with environmental certification	<b>60.1%</b> (up 5.7%pt, period-on-period)

### Business environment perception/ Outlook

- The importance of resilience, health and comfort have increased through the experience of COVID-19.
- Focus on acquiring further environmental certification and strengthening measures to address climate change.

# The impact on office tenants, which account for the majority of tenants, was limited but commercial tenants were impacted to some extent.

## Rent reductions, payment holidays and contract cancellations due to the effects of COVID-19

Action taken
<ul style="list-style-type: none"> <li>In response to calls for business restraint following the declaration of a state of emergency, primarily commercial tenants voluntarily suspended operations or shortened their operating hours.</li> <li>Provided business continuity support to tenants which suffered decline in sales or were otherwise affected, based upon comprehensive consideration of requests from the relevant authorities and impact on future performance.</li> </ul>

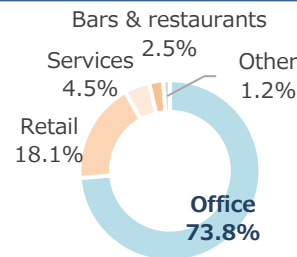
Status as of the end of Jun. 30, 2020
<ul style="list-style-type: none"> <li>Impact on office tenants was slight.</li> <li>Among commercial tenants, many bars and restaurants and some service outlets suffered sharp decline in sales and <u>appropriate measures</u> such as rent reduction <u>were promptly taken</u> based on an assessment of individual circumstances. <u>This action will strengthen relationships with tenants in the future and prevent them from moving out.</u></li> <li>Impact of temporary rent reduction on rental revenue in Jun. '20 period: <b>-94 million yen</b> ⇒ Ratio of operating revenue for Jun. '20 period: <b>0.6%</b></li> <li>The recovery of bars and restaurants is currently slower than retail which appears to be recovering comparatively well, however, <u>bars and restaurants account for a 2.5% share of the portfolio.</u></li> </ul>

		Office Tenants	Commercial Tenants
Rent component ratio		73.8%	26.2%
Temporary rent reduction	Number of tenants/ Ratio of total number of tenants (851)	-	97 / 11.4%
	Impact on rent revenue/ Ratio of operating revenue in each period	Jun. '20 period	-94 million yen / 0.6%
		Dec. '20 period	-49 million yen / 0.3%
Payment holiday	Number of tenants/ Ratio of total number of tenants (851)	2 / 0.2%	28 / 3.3%
Contract cancellation	Number of tenants / Ratio of total number of tenants (851)	7 / 0.8%	2 / 0.2%

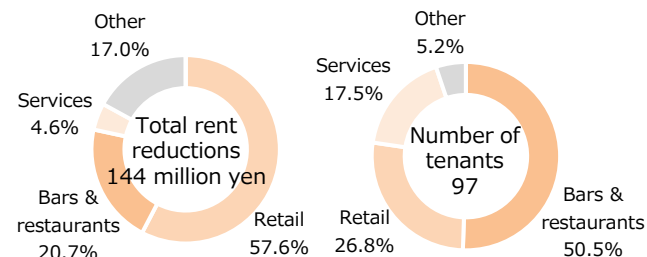
### Other effects

- Delays in leasing activities due to cancellation of viewings, review of relocation plans, etc.
- Lengthier rent revision negotiations and smaller upward rent revisions due to deterioration in corporate earnings

### Portfolio composition



### Temporary rent reductions by tenant



1. Tenant classifications are determined by TRIM based on actual use, and commercial tenants include tenants of office buildings.  
 2. "Portfolio composition" is based on ratios of total rent.

Status and Outlook of Office Market

		Before COVID-19 outbreak
Demand side	Corporate stance	Strong demand against backdrop of competition for human resources and workstyle reform
	Type of use	Implementation of initiatives such as free address facilities and telework (mobile work, satellite offices, work from home) by forward-thinking enterprises against backdrop of workstyle reform
Supply side	Office supply in central Tokyo	<ul style="list-style-type: none"> <li>• Large supply from 2018 to 2020</li> <li>• Contracts concluded for most properties supplied in 2020</li> </ul>
Market	Vacancy rate	Extremely tight market with hardly any vacancies
	New rents, etc.	Level of rents had been rising gradually for a long time

**State of emergency**  
Mar. 2020 - May 2020

- Temporary shutdown of all activity except working from home as people refrained from going out
- Slowdown of leasing activities and postponement of relocation and office expansion
- Rapid adoption of working from home to prevent the spread of COVID-19

		After COVID-19 outbreak
		<ul style="list-style-type: none"> <li>• Continued wait-and-see attitude amid uncertainty over the future</li> <li>• Reduction of demand in absolute terms despite certain level of demand for office expansion among strongly performing enterprises and for BCP in response to COVID-19</li> <li>• Reassessment of importance of office work</li> <li>• Development of IT environment to take advantage of telework</li> <li>→ <u>Stance of expecting employees to work at office, in principle, but allowing flexible ways of working is expected to become the norm</u></li> </ul>
		Limited supply from 2021 to 2022
		Steady supply-demand balance despite slight rise in vacancy rate
		<ul style="list-style-type: none"> <li>• Peaking of rent level</li> <li>• Increase in downtime</li> <li>→ <u>Greater selectivity based on location/spec is expected</u></li> </ul>

JPR's growth strategies

- Maintain internal growth  
Focus on continuing to raise office rents. Although pace of increase will slow, upward revision is possible due to large rent gap.  
Bar & restaurant type commercial tenants will be dealt with flexibly depending on future circumstances.
- Keep costs at reasonable level  
Make repair and value enhancement investments based on rigorous examination of timing and details.
- Achieve DPU growth through external growth  
Use low LTV to acquire prime office buildings focusing on sponsor's pipeline.  
Postpone acquisition of hotel and commercial facilities for the time being.

**Aim to maintain DPU growth through cost control and external growth, despite slowdown of internal growth.**

## Steady internal growth momentum was maintained.

■ Plus item ■ Minus item

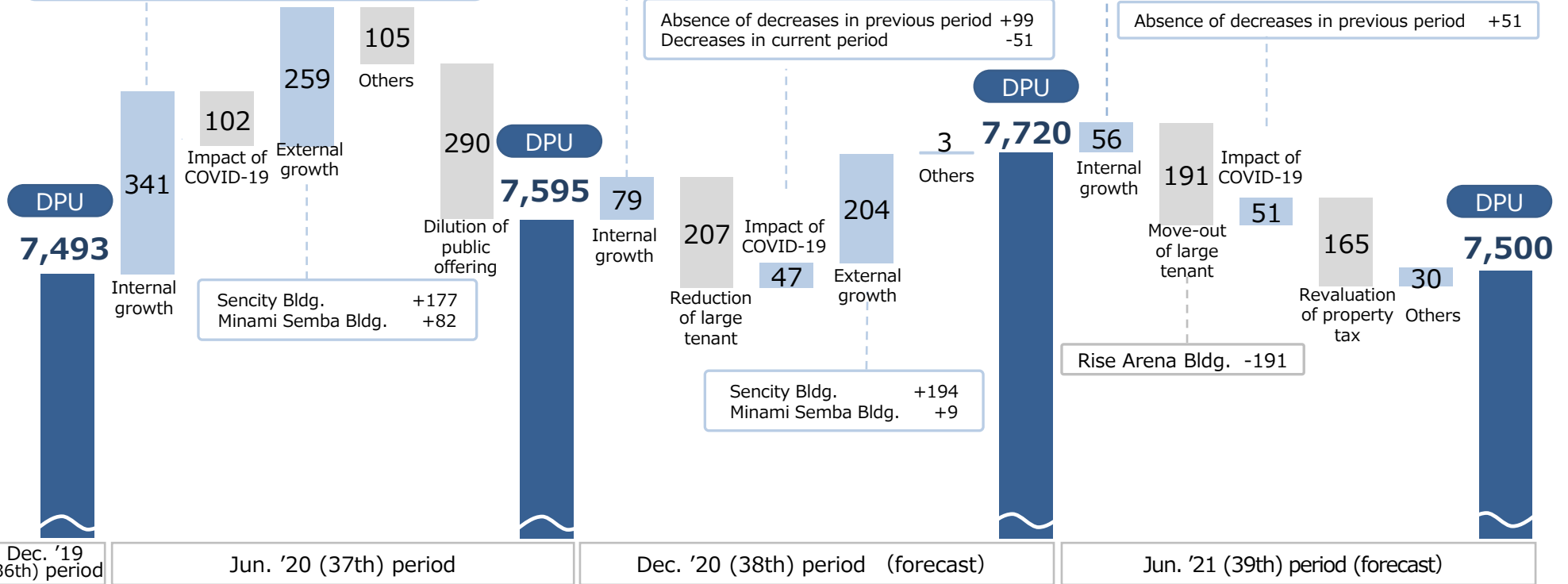
Increase in rent and common charge (move-in/ move-out)	+147
Increase in rent and common charge (rent revision etc.)	+219
Decrease in cancellation penalty income and income equivalent to expense for restoration	-57
Decrease in brokerage fee	+50
Increase in PM fee	-26
Increase in property and other tax	-24

Decrease in rent and common charge (move-in/ move-out)	-67
Increase in rent and common charge (rent revision etc.)	+53
Improvement of balance of utilities expense	+42
Decrease in repairs and maintenance expense	+89
Decrease in PM fee	+34
Increase in property and other taxes	-28
Increase in depreciation	-36

Decrease in rent and common charge (move-in/ move-out)	-58
Increase in rent and common charge (rent revision etc.)	+46
Increase in land rent	+55
Decrease in income penalty and equivalent to expense for restoration	-30
Decrease in repairs and maintenance expense	+102
Increase in property and other taxes due to property acquisitions in previous period	-33

Absence of decreases in previous period	+99
Decreases in current period	-51

Absence of decreases in previous period	+51
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1. Fluctuations in distribution per unit are shown in the amount of the change in the variable cost for each fiscal period divided by the number of investment units outstanding as of the end of the fiscal period preceding each such period (for the fiscal period ending June 2020, the number at the end of fiscal period ended December 2019 is shown).



### Move-out and status of leasing activities at Rise Arena Building

<Summary of Property>



Acquisition price/ date	5,831 million yen / Mar. 2007
Completed	Jan. 2007
Access	0m from Higashi-Ikebukuro Sta.
Site area (office)	4,769 tsubo 6-14 Floor : Standard floor space 500 tsubo more over Part of 1F: 14 tsubo
Ownership interest	1,822 tsubo (corresponding 38.2%)

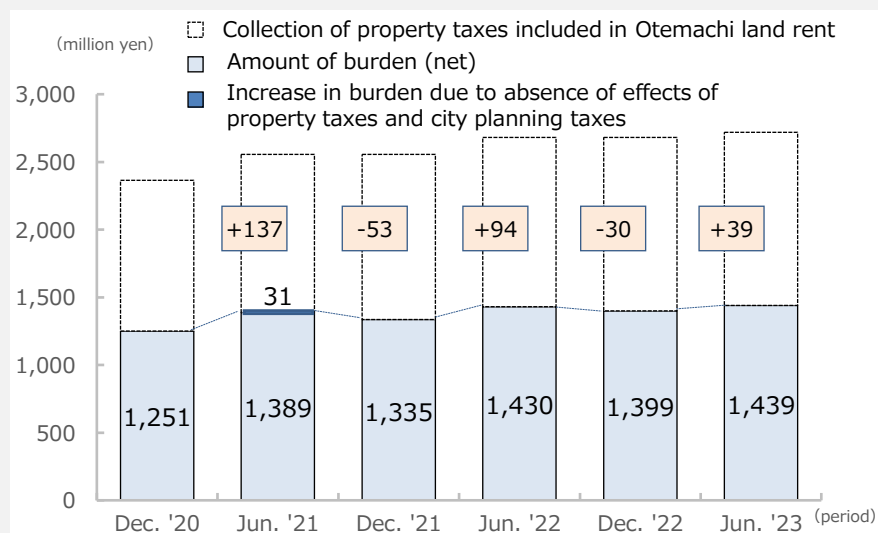
- Large-scale redevelopment projects are underway in the surrounding area, including the new home of the Toshima Ward Office, and the area is expected to develop further in future.
- The property connects directly to Higashi-Ikebukuro subway station and offers excellent access to both central Tokyo and Saitama.

<Move-out and status of leasing activities>

- A tenant which had been leasing all office floors will move out at the end of Jan. 2021.
- Leasing activities were delayed due to effects of COVID-19 such as cancellation of viewings.
- Of the 9 standard floors (each floor is 500 tsubo more over), 3 have already been contracted with an increase in rent upon tenant replacement, 1 is under application and leasing activities are underway for 5.
- Aim to fill vacancy by the end of 2021.
- Aim to raise rent further through measures such as renovation of common areas.
- Impact of the move-out on DPU for Jun. '21 period is expected to be **-191 yen per unit.**

### Forecast of Property Taxes and City Planning Taxes

- Property taxes and city planning taxes in the Jun. '21 period are expected to increase 137 million yen.  
This increase reflects impact of reevaluation of property taxes and city planning taxes of 105 million yen and impact of absence of effects of property taxes and city planning taxes on properties newly acquired in Jun. '20 period of 31 million yen.
- The increase for Otemachi Tower (land with leasehold interest) can be passed through to the land rent but since the land rent will be raised 3 months later, higher taxes for 3 months will be borne in the Jun. period.



Actual increase of burden, converted to DPU (period-on-period)	-	-143 yen	+55 yen	-98 yen	+31 yen	-41 yen
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1. "Forecast of property taxes and city planning taxes" are based on TRIM's estimates.

**Basic Policy**  
**Sustainable Growth of JPR**

**Internal Growth**

**Improve profitability**

- Strategically utilize target rents
- Reinforce property competitiveness through investments for value enhancement
- Continuously enhance tenant satisfaction
- Increase NOI by reviewing property management and operation methods

**External Growth**

**Expand size of assets and improve portfolio quality**

- Focus on office properties in Tokyo
- Make vigorously selective investments
- Expand acquisition opportunities through utilization of sponsor pipeline and preferential negotiation right
- Promote strategic asset replacement

**Financial Strategy**

**Build strong financial base**

- Lengthen maturity of debts and borrow funds at fixed interest rates
- Flatten repayment amounts
- Diversify means of fund procurement
- Conservatively control LTV

**Sustainability**

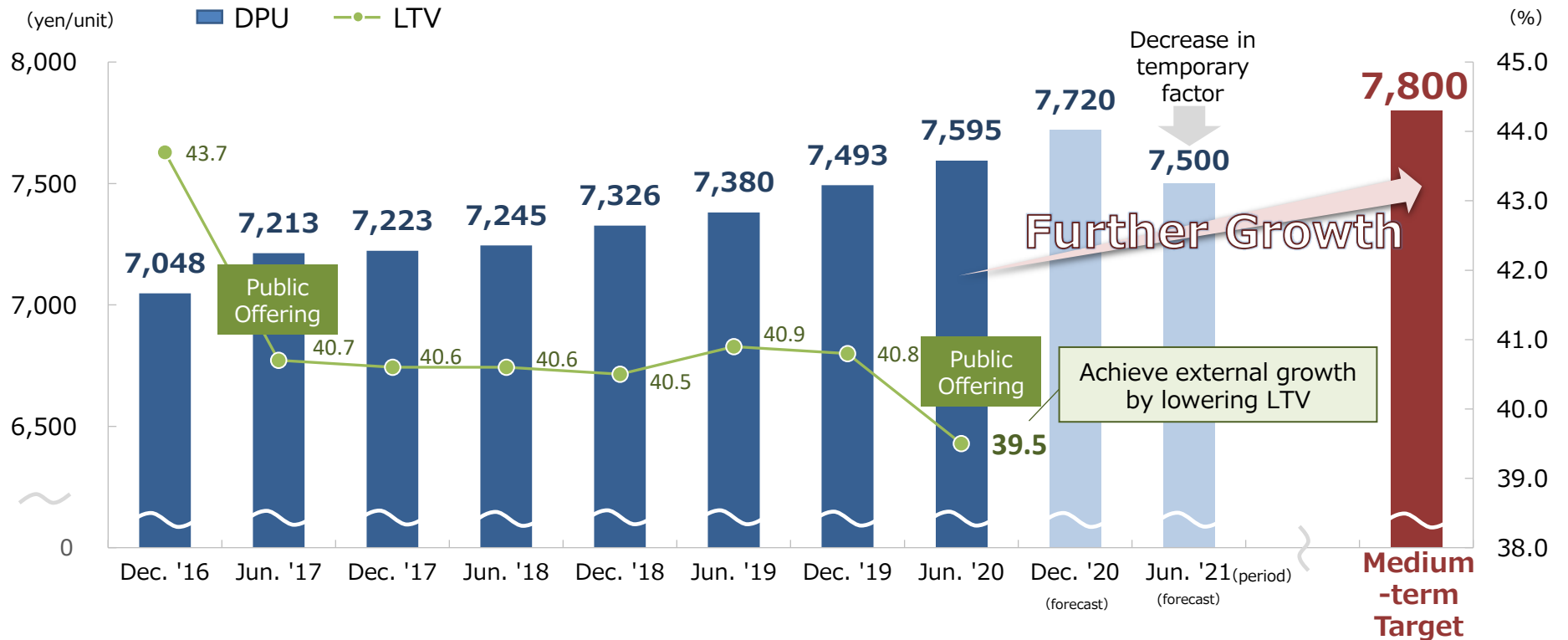
**Increase social value and sustainability**

- Reduce environmental impact
- Improve convenience and services for tenants and facility users
- Develop human resources

Distribution per unit has continued to increase steadily over a long period of time.

Aim for medium-term target of 7,800 yen through sustainable growth based on growth strategies.

Change in Distribution per Unit and Medium-term Target

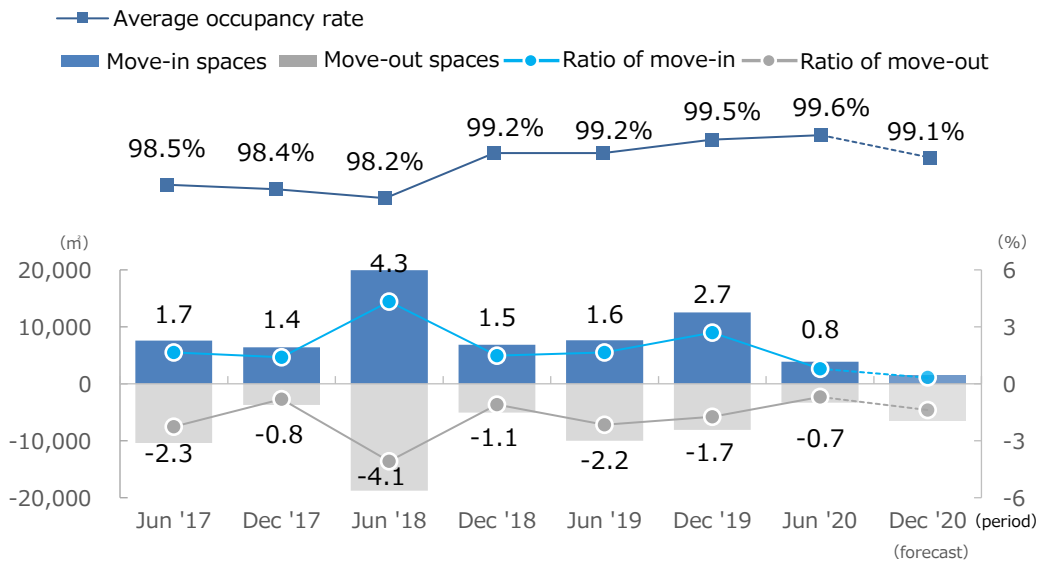


1. Distribution per unit as medium-term target is a management target set by TRIM, and there is no guarantee that the figure is achieved.

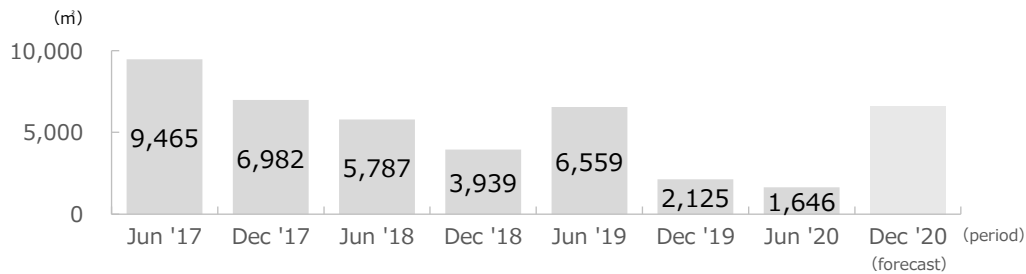


# Occupancy rate continued to reach new heights in Jun. '20 period Rate is also expected to remain at a high level in Dec. '20 period

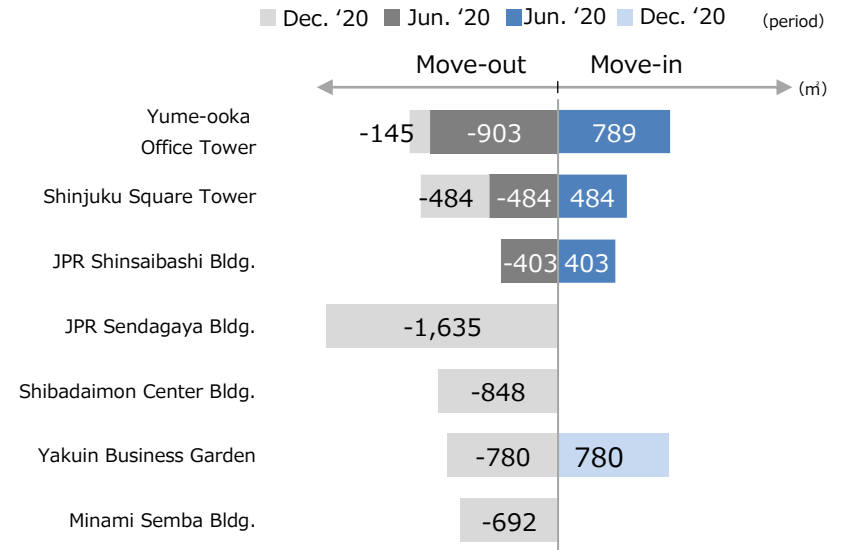
## Occupancy Rate and Move-Ins/Move-Outs



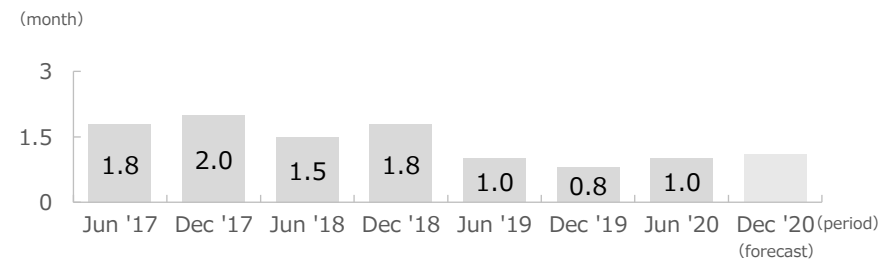
## Fiscal Period of Vacancy Space



## Major Move-Ins/Move-Outs



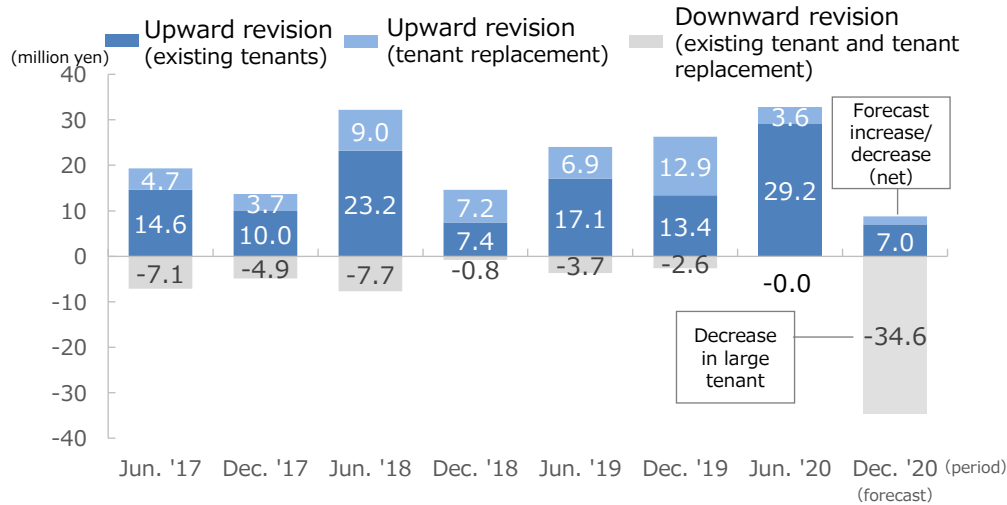
## Average Rent Free Period



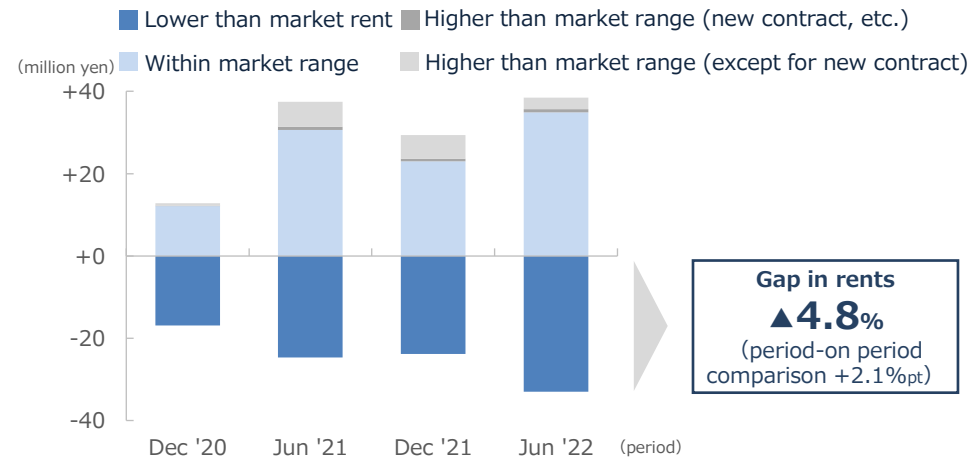
1. The figures for the occupancy rate for the Dec. '20 period are estimated based on assumptions by JPR regarding move-ins and move-outs becoming effective in the fiscal period.

# With steady progress made in upward revision of rents and raising of rents upon tenant replacement, rents continued to increase

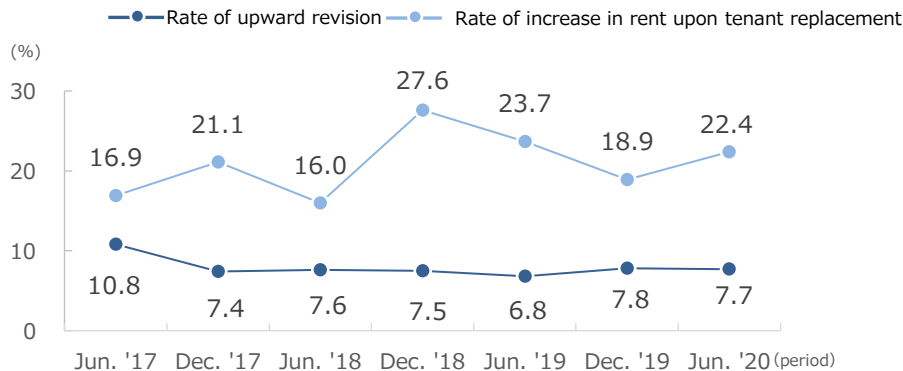
Monthly Rent Revision Increase/ Decrease



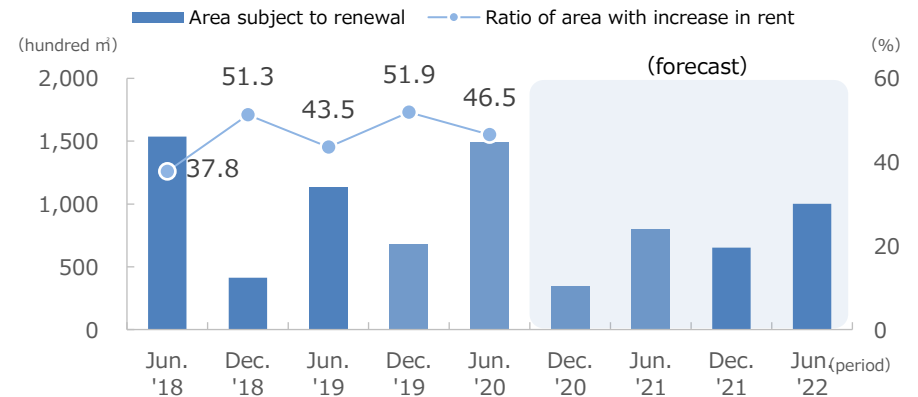
Status of Gap in Rent (Office/By fiscal period of rent renewal)



Rate of upward revision of monthly rents



Area subject to rent renewal each fiscal period/ Ratio of area with increase in rent



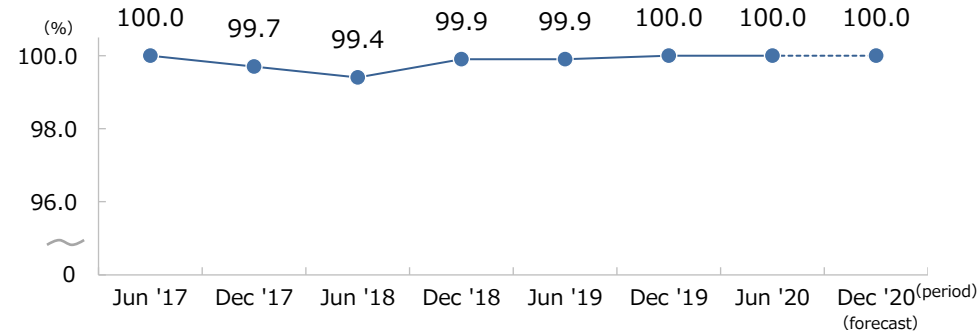
1. Forecast of monthly rent increase/decrease for Dec. '20 period is sum total of upward or downward revisions and increases or decreases in rent upon tenant replacement.  
 2. Forecast of monthly rent increase/ decrease for Dec. '20 period is estimates that reflect consents regarding move-ins and move-outs that will become effective in the fiscal period.

JPR's retail properties are situated in prime locations or in areas close to stations and with high commercial potential  
 Lease contracts are long-term fixed rent contracts, in principle, and occupancy rate remains stable at almost full occupancy

Retail Portfolio

Type	<b>Urban type</b>	<b>Station-front type</b>
Characteristics	Urban retail properties situated on prime locations in Tokyo and Osaka	Retail properties located in front of stations near Tokyo and in major regional
Number of properties	<b>9</b> properties	<b>6</b> properties
Asset size	<b>58.5</b> billion yen	<b>46.1</b> billion yen

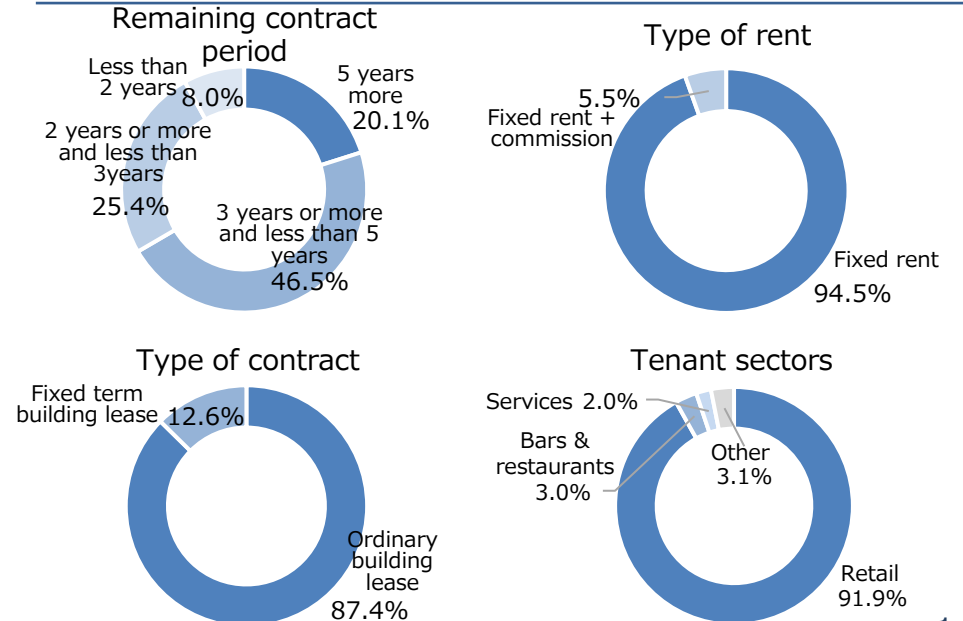
Average Occupancy Rate (Retail properties)



Main Retail properties

Urban type					
	JPR Umeda Loft Bldg.	JPR Shibuya Tower Records Bldg.	JPR Ginza Namiki-dori Bldg.	Yurakucho Ekimae Bldg. (Yurakucho Itocia)	FUNDES Ueno
Station-front type					
	Kawasaki Dice Bldg.	Tanashi ASTA	JPR Musashikosugi Bldg.	Housing Design Center Kobe	

Status of Lease Contract (Retail properties, Space ratio)



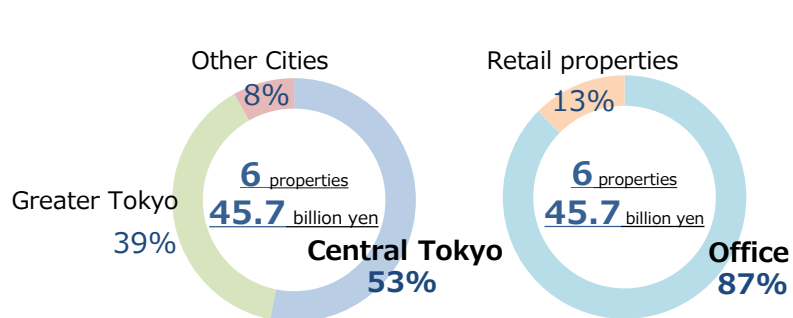
1. Asset size is calculated based on acquisition price.

# Maintain steady growth through rigorously selective investment utilizing sponsor pipeline and preferential negotiation right

Acquisitions since 2017

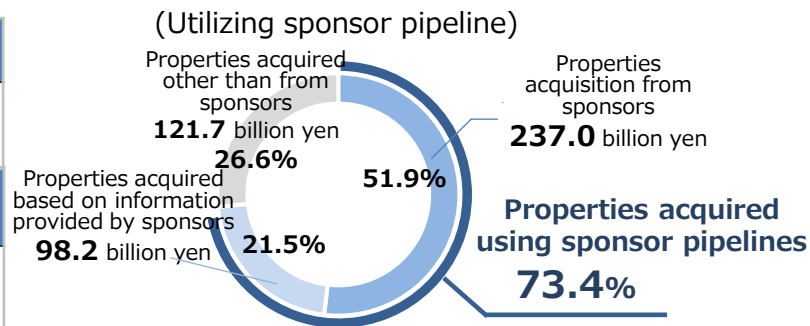
	2017	2019	2019	2020	2020	2020
Property name	Tokyo Square Garden	Shinagawa Canal Bldg. (additional acquisition)	JPR Kojimachi Bldg.	FUNDES Ueno	Minami Semba Bldg.	Sencity Bldg.
Acquisition price	18.4 billion yen	0.17 billion yen	5.75 billion yen	3.8 billion yen	3.75 billion yen	13.87 billion yen
Area	Central Tokyo	Central Tokyo	Central Tokyo	Greater Tokyo	Other cities	Greater Tokyo
Asset class	Office	Office	Office	Retail property	Office	Office
Acquired route	Sponsor pipeline	Sponsor pipeline Preferential negotiation right	Sponsor pipeline	Sponsor pipeline	Sponsor pipeline	Sponsor pipeline

## Acquisition area and use ratios since 2017



Investment standard	
Tokyo	80~90%
Office	70~90%
Ratio by portfolio (as of Jun. '20)	
Tokyo	84.5%
Office	77.1%

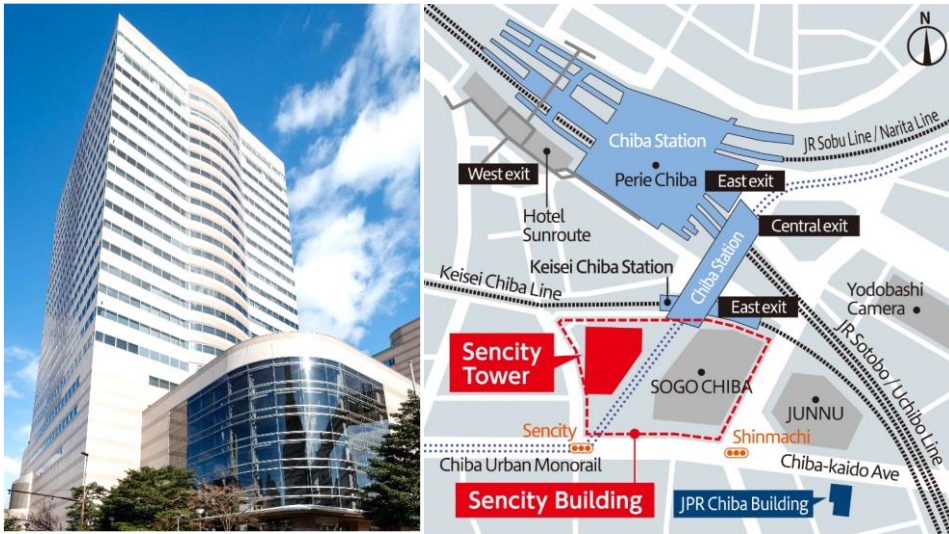
## Investigation of acquisitions through negotiated deals



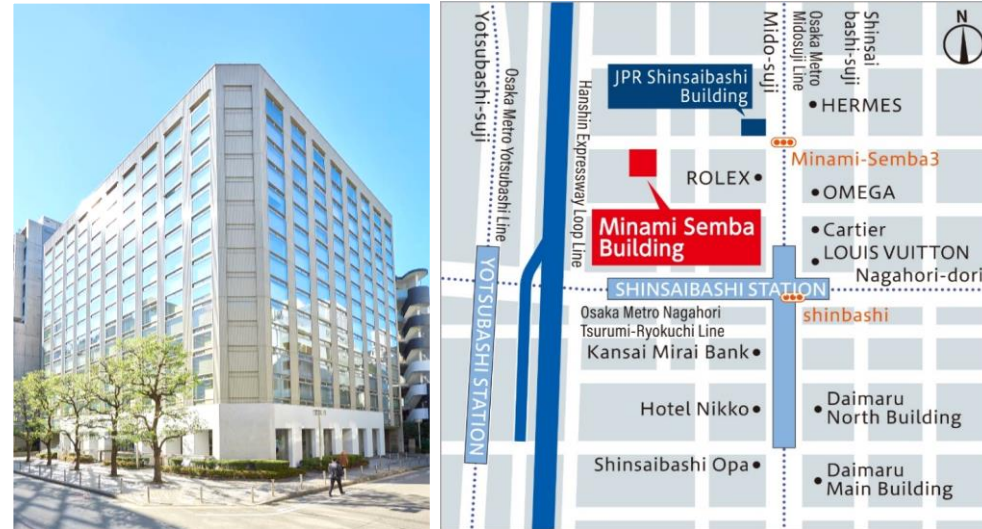
1. JPR makes decision based on circumstances at the time of acquisition.



Sencity Bldg.



Minami Semba Bldg.



(Acquisition Highlights)

The property is a large-scale office building with the highest degree of rarity in all aspects, including its overwhelmingly superior locational advantages and scale, convenience, high visibility and landmark characteristics, to be acquired from the subsidiary of sponsor.

(Acquisition Highlights)

Property in an ideal location in the Shinsaibashi area, an excellent commercial area in Osaka, to be acquired from the main sponsor

Acquisition price	<b>13.87</b> billion yen
Appraisal value	<b>14.6</b> billion yen
NOI yield	<b>4.9%</b>
After-depreciation yield	<b>3.9%</b>
Seller	Taisei-Yuraku Real Estate Co., Ltd.

Location	Shinmachi, Chuo-ku, Chiba-shi, Chiba, etc.
Asset class	Office / Retail
Floors	B2/23F
Total leasable floor space	13,212.98㎡
Occupancy rate	99.1%
Acquisition date	Mar. 27 '20
Ownership interest	12.4% (Sencity Bldg.)

Acquisition price	<b>3.75</b> billion yen
Appraisal value	<b>3.97</b> billion yen
NOI yield	<b>4.7%</b>
After-depreciation yield	<b>3.9%</b>
Seller	Tokyo Tatemono Co., Ltd.

Location	Minamimemba , Chuo-ku, Osaka
Asset class	Office / Retail
Floors	B1/8F
Total leasable floor space	5,695.71㎡
Occupancy rate	99.9%
Acquisition date	Jan. 30 '20

1. Figures for "Appraisal value" and "Occupancy rate" are as at time of acquisition, and "NOI yield" and "After-depreciation yield" are expected yield at acquisition.

## Further strengthen relationship with Tokyo Tatemono Group

## Future growth opportunities will increase through enhancement of sponsor pipeline

### Medium-term Business Plan of Tokyo Tatemono (excerpt)

Key Strategies	
Expand property sales to investors	Balance <b>227.1</b> billion yen (as of Jun. 30, 2020)
Strengthen fund business	AUM <b>1.5</b> trillion yen (forecast of '24)

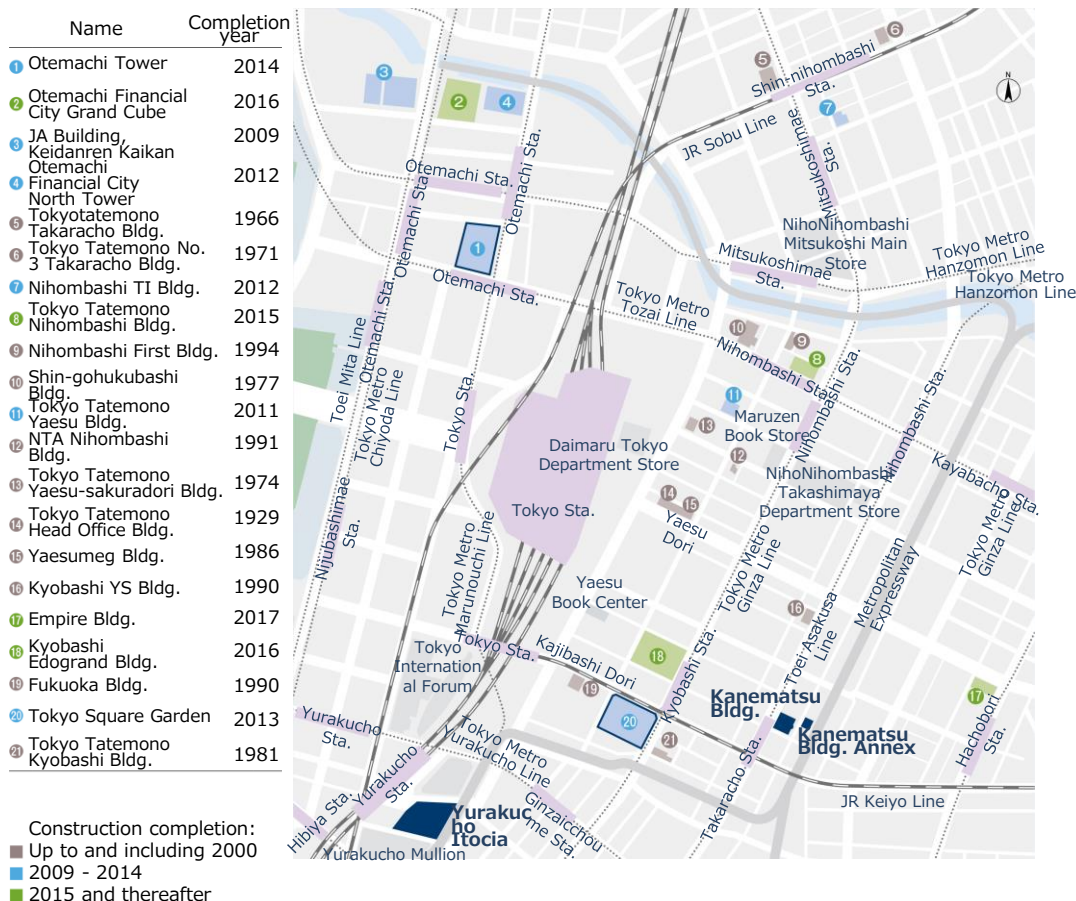
- Increased ratio of shares held in TRIM (effective Apr. 28, 2020) (Before change) 52% ⇒ (After change) 75%

Policy of seeking further expansion of Group earning opportunities

### Tokyo Tatemono's Real Estate for Sale

Asset class	Property name	Total floor area (m) No. guestroom (Hotel)	Completion/ planned completion
Medium-sized office	Sendai Kakyoin Terrace	5,800m <sup>2</sup>	Jan. '20
	(Name to be determined) Sapporo station area		Autumn '23
	(tentative) Kodenmacho project		Spring '22
Urban compact retail properties	FUNDES Gotanda	1,498m <sup>2</sup>	Jul. '19
	FUNDES Ginza	1,866m <sup>2</sup>	Nov. '19
Urban hotel	Candeo Hotels Tokyo Roppongi	149 rooms	Sep. '17
	The Square Hotel Ginza	182 rooms	Aug. '18
	Hotel Gracery Asakusa	125 rooms	Sep. '18
	Others		

### Properties owned by Tokyo Tatemono Co., Ltd. in the vicinity of Tokyo Station



1. The balance of Tokyo Tatemono's real estate for sale is the total of the book values of properties owned or developed by Tokyo Tatemono and also include assets not targeted for investment by JPR such as logistics facilities.  
 2. For the properties shown in this slide other than those that are already owned by JPR, no specific negotiations for acquisition are underway with Tokyo Tatemono and JPR has no plans to acquire any of them at present.  
 3. JPR owns the land with leasehold interest of "Otemachi Tower" and co-owns "Tokyo Square Garden", "Kanematsu Building", "Kanematsu Building Annex" and "Yurakucho ITOCiA".

## Build strong financial base through lengthening of maturity and flattening of repayment amount and conservative LTV control

### Debt Procurement Results in the 37th Fiscal Period (short-term loans excepted)

	Before refinancing	After refinancing	Change
Average maturity	5.4 years	8.8 years	+3.4 years
Average debt interest rate	0.83%	0.53%	-0.30%pt

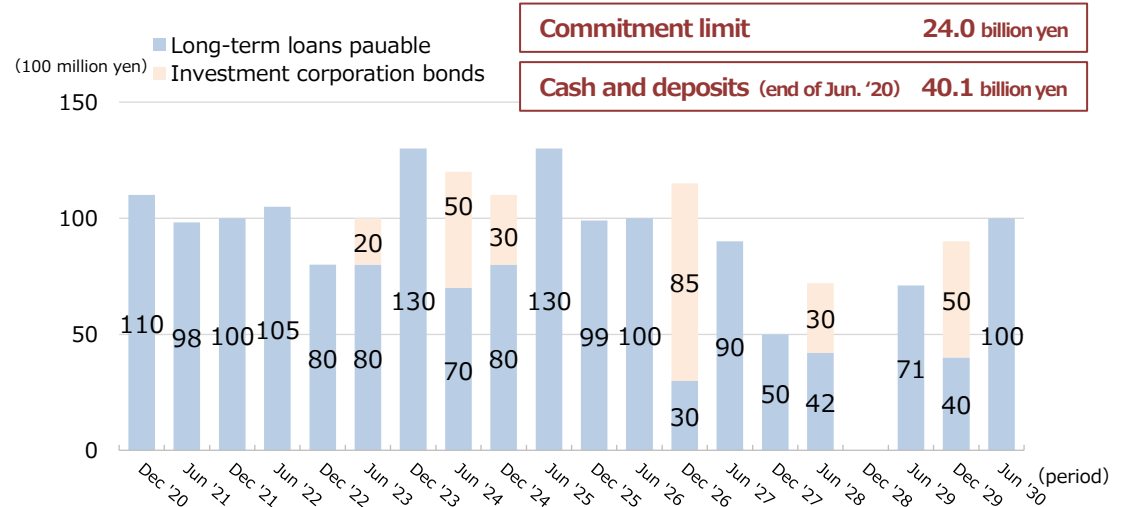
### Status of Interest-Bearing Debts

	36th period (Dec. '19)	37th period (Jun. '20)	Change
Interest-bearing debt	185.0 billion yen	187.0 billion yen	+2.0 billion yen
LTV	40.8%	39.5%	-1.3%pt
Average maturity	4.6 years	4.6 years	- years
Average debt interest rate	0.80%	0.78%	-0.03%pt
Ratio of long-term, fixed interest rate debts	99.5%	100.0%	+0.5%pt

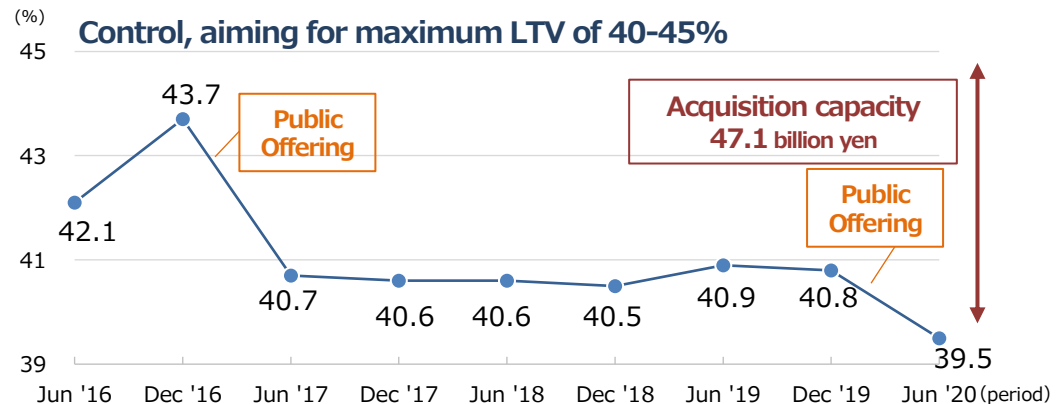
### Status of Credit Rating (Long term issuer rating)

R&I	S&P
<b>AA-</b> (Stable)	<b>A</b> (Stable)

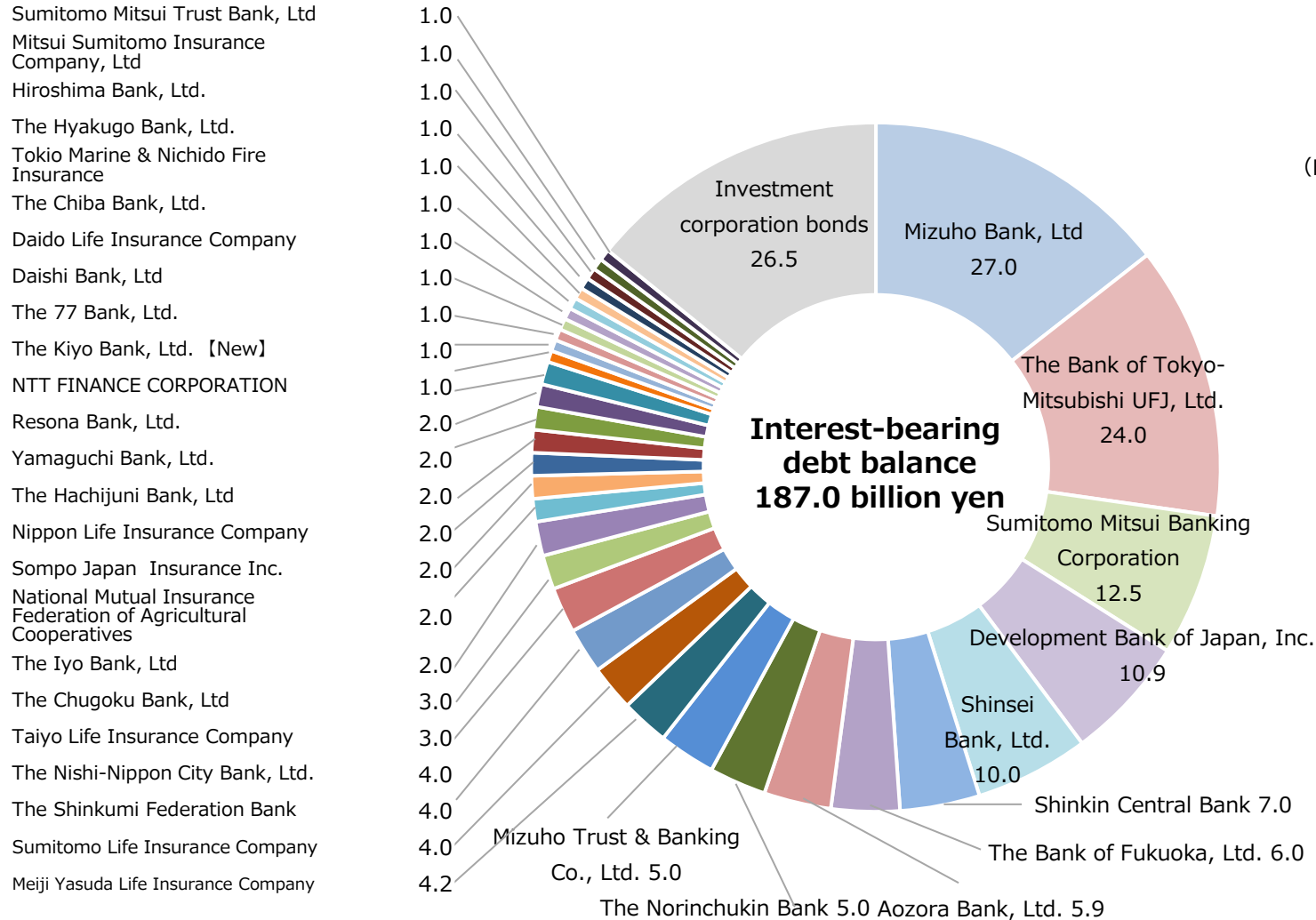
### Diversification of Repayment Dates



### Change in LTV



## Diversifying fund procurement sources with a lender formation comprising 34 financial institutions and through issuance of investment corporation bonds



(billion yen)

(Breakdown of investment corporation bonds)

Name	Amount
7th series of bonds	4.5
18th series of bonds	2.0
19th series of bonds	5.0
21st series of bonds	4.0
22nd series of bonds	3.0
23rd series of bonds	3.0
24th series of bonds (Green bond)	5.0

(Status of commitment line)

Lender	Credit limit
Mizuho Bank, Ltd.	4.0
MUFG Bank, Ltd.	4.0
Sumitomo Mitsui Banking Corporation	4.0
Aozora Bank, Ltd	4.0
Mizuho Trust & Banking Co, Ltd.	4.0
Resona Bank, Ltd	4.0
<b>Total</b>	<b>24.0</b>

■ Achieved "5 Star" the Highest Ranking in GRESB

- Acquisition of the highest ranking of "5 Stars" rating in GRESB Rating, which is a relative rating based on overall score
- Acquisition of "Green Star," the highest ranking, for six consecutive years
- Acquisition of the highest ranking of "A" in ESG information disclosure level assessment.



■ CO<sub>2</sub> Emission Data

Third-party assurance has been received for some of the environmental data to ensure the reliability of the data.

Item	Units	FY2017	FY2018	FY2019	Change
CO <sub>2</sub> Emission	tCO <sub>2</sub>	56,686	50,726	49,726	-2.0%
	tCO <sub>2</sub> /m <sup>2</sup>	0.084	0.079	0.076	-2.8%

■ Disaster initiatives

Seeking to further strengthen resilience in light of the mega-disasters in recent years

(Actions currently being taken)

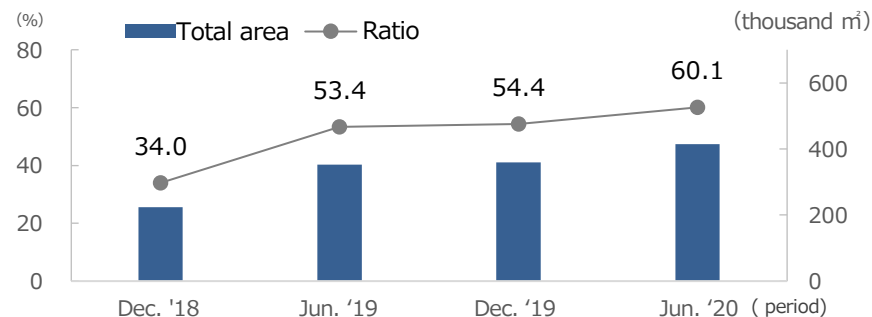
- Continuously conducting monitoring using portfolio hazard map
- Assessing latest risks in areas in which properties are located and seeking to strengthen facilities accordingly
- Conducting regular onsite assessments of disaster-prevention equipment at each property
- Sharing disaster risks with site managers, sharing current issues to be addressed, etc. and issuing instructions on actions to be taken in the future



Provision of simple emergency generators, given the importance of charging smartphones in the event of disaster

■ Acquisition of environmental certification

Focus on improving rate of acquisition of environmental certification, aiming for portfolio with low environmental impact and high sustainability



(DBJ Green Building Certification)

(as of Jun. 30 '20)

Ranking	Property name
★★★★★	Tokyo Square Garden, Olinas Tower
★★★★	Oval Court Ohsaki Mark West, Shinjuku Center Bldg., JPR Sendagaya Bldg.
★★★	Kanematsu Bldg., BYGS Shinjuku Bldg., Shinagawa Canal Bldg., Omiya Prime East, Rise Arena Bldg., Yume-ooka Office Tower, Kawasaki Dice Bldg.
★★	JPR Crest Takebashi Bldg., Shinjuku Square Tower, Minami Azabu Bldg., JPR Chiba Bldg.



(CASBEE for Building Certification)

(as of Jun. 30 '20)

Ranking	Property name
★★★★★	JPR Kojimachi Bldg., FUNDES Ueno, JPR Musashikosugi Bldg., Musashirawa Shopping Square, Sompo Japan Sendai Bldg., JPR Umeda Loft Bldg., Housing Design Center Kobe
★★★★	Kawaguchi Center Bldg., JPR Shibuya Tower Records Bldg., Yakuin Business Garden





Results of the 37th fiscal period ended June 2020

DPU: 7,595 yen (up 102 yen, period-on-period)

Previous medium-term DPU target of 7,500 yen was achieved thanks to internal and external growth, which offset effects of COVID-19 and dilution through issuance of new investment units

Item		Dec. 31 '19 36th Period	Jun. 30 '20 37th Period	Change
Revenue and profit (million yen)	Operating revenue	16,005	16,363	+357
	Rental revenue	16,005	16,363	+357
	Operating expense	8,320	8,350	+29
	Expenses related to rent business	7,538	7,436	-102
	General and administrative expenses	782	914	+131
	Operating income	7,684	8,013	+328
	Non-operating income	7	51	+43
	Non-operating expenses	777	787	+9
	Ordinary income	6,915	7,277	+362
	Net income	6,914	7,276	+362
DPU (yen) (per unit)		7,493	7,595	+102
Number of units outstanding		923,000	958,250	+35,250

Rental revenue

① [Rent and common charge] Increase mainly due to full-year contribution of tenants which moved in the previous fiscal period and upward revision of rents despite rent reductions in response to COVID-19 outbreak.

② [Incidental income] Use decreased due to seasonal factors and the effects of COVID-19

Expenses related to rent business

③ [Utilities expense] Use decreased due to the effects of COVID-19, and balance of utilities expenses worsened (-9 million yen)

④ [Property and other taxes] Increase due mainly to occurrence and revaluation of fixed property taxes and city planning taxes on properties acquired the previous fiscal period

⑤ [Other expenses related to rent business] Brokerage fees, advertising expenses and other expenses decreased

General and administrative expense, non-operating revenue and expense

⑥ [General and administrative expense] Asset management fees increased due to changes in fee structure

⑦ [Non-operating income] Increased mainly due to recording of settlement on management association accounts and insurance premiums

⑧ [Non-operating expense] Increased due to posting of loss on retirement of non-current assets despite decrease in financial costs such as interest expense

Item	36th Period	37th Period	Change	Acquired properties <sup>*1</sup>	Existing properties <sup>*2</sup>
Rental revenue	16,005	16,363	+357	+361	-3
Rental revenue	15,081	15,674	+592	+343	+249
Rents and common charge	12,939	13,520	+580	+337	+243
Land rent	1,774	1,783	+9	-	+9
Other fixed income	368	370	+2	+5	-3
Other rental revenue	924	689	-234	+18	-253
Incidental income	799	620	-179	+16	-196
Cancellation penalty, etc.	21	9	-12	-	-12
Income equivalent to expense for restoration	62	21	-40	-	-40
Other variable income	40	37	-2	+1	-3
Expenses related to rent business	7,538	7,436	-102	+121	-223
Outsourcing fees	609	615	+6	+9	-3
Utilities expenses	866	712	-154	+32	-187
Property and other taxes	2,335	2,358	+22	+0	+22
Insurance premiums	25	26	+0	+0	+0
Repairs and maintenance	610	602	-7	+3	-11
Property management fees	299	331	+32	+8	+24
Management association accounts	570	573	+3	+7	-3
Depreciation	1,973	2,027	+53	+58	-5
Other expenses related to rent business	247	187	-59	+0	-60
NOI	10,441	10,954	+513	+298	+215
NOI yield (book value)	5.0%	5.2%	+0.2%pt		
Rental income-real estate	8,467	8,927	+460	+239	+220
After-depreciation (book value)	4.1%	4.2%	+0.1%pt		
Occupancy rate based on included contract (period average)	99.5%	99.6%	+0.1%pt		

\*1 The increase/decrease due to the acquisition of the Minami Semba Building in the 37th fiscal period and the Sencity Building that is scheduled to be acquired is calculated.

\*2 Increase/decrease for existing properties, excluding the above, is calculated (the major factors behind the increase/decrease for existing properties are described in (i) to (v)).

## Result of the 37th fiscal period ended June 2020

Total assets: 473.1 billion yen, Total Unitholders' Equity per unit: 266,984 yen

Item		Dec. 31 '19 36th Period	Jun. 30 '20 37th Period	Change
Balance Sheet (million yen)	Current Asset	38,196	40,719	+2,522
	Cash and deposits (including trust)	37,775	40,100	+2,324
	Other current asset	421	619	+197
	Noncurrent assets	415,140	432,310	+17,169
	Property, plant and equipment	402,700	419,822	+17,121
	Intangible assets	11,805	11,805	-0
	Investments and other assets	633	682	+48
	Deferred assets	130	157	+26
	Investment corporation bond issuance costs	129	119	-9
	Investment unit issuance expenses	0	37	+36
	<b>Total assets</b>	<b>453,467</b>	<b>473,186</b>	<b>+19,719</b>
	Current liabilities	29,540	27,808	-1,731
	Short-term loans payable	1,000	-	-1,000
	Current portion of long-term loans payable	21,000	20,820	-180
	Other current liabilities	7,540	6,988	-551
	Noncurrent liabilities	184,657	189,540	+4,882
	Long-term loans payable	136,520	139,700	+3,180
	Investment corporation bonds	26,500	26,500	-
	Tenant leasehold and security deposits	21,637	23,340	+1,702
	<b>Total liabilities</b>	<b>214,198</b>	<b>217,348</b>	<b>+3,150</b>
Unitholders' capital	231,653	247,860	+16,207	
Surplus	7,616	7,977	+360	
Reserve for reduction entry	689	689	-	
Unappropriated retained earnings	6,926	7,287	+360	
<b>Total net assets</b>	<b>239,269</b>	<b>255,838</b>	<b>+16,568</b>	

### Increase or decrease in cash and deposits

Item	Change
Net cash provided by operating activities	+8,967
Income before income taxes	+7,277
Depreciation and amortization	+2,027
Other, net	-338
Net cash provided by investing activities	-17,892
Purchase of property, plant and equipment	-19,573
Other, net	+1,681
Net cash provided by financing activities	+11,250
Proceeds from liabilities	+13,000
Repayment of liabilities	-11,000
Proceeds from issuance of investment units	+16,165
Dividends paid	-6,915
<b>Total cash and deposits</b>	<b>+2,324</b>

### Increase or decrease in noncurrent assets

Item	Change
Acquire properties	+17,808
Capital expenditures	+1,380
Depreciation	-2,027
Others	+8
<b>Total noncurrent assets</b>	<b>+17,169</b>

### Increase or decrease in liabilities

Item	New procurement	Repayment/ redemption	Balance at end of current period	Change
Short-term loans payable	-	1,000	-	-1,000
Long-term loans payable	13,000	10,000	160,520	+3,000
Investment corporation bonds	-	-	26,500	-
<b>Total liabilities</b>	<b>13,000</b>	<b>11,000</b>	<b>187,020</b>	<b>+2,000</b>

### Procurement of funds through issuance of new investment units

New number of units	35,250 unit
purpose	To acquire new properties and repay borrowing



Results of the 37th fiscal period ended June 2020

DPU compared with the forecast : up 5 yen

Average occupancy rate during the fiscal period reached a record high of 99.6%

Results exceeded initial forecasts despite the effect of COVID-19

Item		Jun. 30 '20 37th Period (forecast)	Jun. 30 '20 37th Period (actual)	Change
Revenue and profit (million yen)	Operating revenue	16,439	16,363	-76
	Rental revenue	16,439	16,363	-76
	Operating expense	8,450	8,350	-100
	Expenses related to rent business	7,538	7,436	-101
	Selling, general and administrative expenses	912	914	+1
	Operating income	7,989	8,013	+23
	Non-operating income	58	51	-6
	Non-operating expenses	760	787	+26
	Ordinary income	7,287	7,277	-9
	Net income	7,286	7,276	-9
DPU (yen) (per unit)	7,590	7,595	+5	
Number of units outstanding (unit)		960,000	958,250	-1,750

**Rental revenue**

- ① [Rent and common charge] Increased mainly due to rent revisions and progress of leasing activities
- ② [Incidental income] Use decreased due to the effects of COVID-19

**Expenses related to rent business**

- ③ [Utilities expense] Use decreased due to the effects of COVID-19, and balance of utilities expenses worsened (-24 million yen)
- ④ [Property and other taxes] Decreased mainly due to refund associated with more reasonable fixed-property tax valuation
- ⑤ [Other expenses and administrative expenses] Brokerage fees, etc. increased

**Non-operating income and expense**

- ⑥ [Non-operating expense] Increased due to posting of loss on retirement of non-current assets

Item	37th Period (forecast)	37th Period (actual)	Change
Rental revenue	16,439	16,363	-76
Rental revenue	15,640	15,674	+33
Rents and common charge	13,490	13,520	+29
Land rent	1,783	1,783	-0
Other fixed income	366	370	+4
Other rental revenue	799	689	-110
Incidental income	758	620	-137
Cancellation penalty, etc	-	9	+9
Income equivalent to expense for restoration to original condition	-	21	+21
Other variable income	41	37	-3
Expenses related to rent business	7,538	7,436	-101
Outsourcing fees	620	615	-4
Utilities expenses	825	712	-113
Property and other taxes	2,400	2,358	-42
Insurance premiums	23	26	+2
Repairs and maintenance	578	602	+24
Property management fees	320	331	+10
Management association accounts	574	573	-0
Depreciation	2,035	2,027	-7
Other expenses related to rent business	159	187	+28
NOI	10,937	10,954	+17
NOI yield (book value)	5.1%	5.2%	+0.1%pt
Rental income-real estate	8,901	8,927	+25
After-depreciation (book value)	4.2%	4.2%	- %pt
Occupancy rate based on concluded contract (period average)	99.5%	99.6%	+0.1%pt

## Forecast of the 38th fiscal period ending December 2020

**DPU: 7,720 yen (up 125 yen from 37th period (Jun. '20) forecast)**

**Cash distributions are expected to increase thanks to the full-year occupancy of properties acquired in the previous fiscal period, despite the ongoing effects of COVID-19**

Item		Jun. 30 '20	Dec. 31 '20	Change
		37th Period	38th Period (forecast)	
Revenue and profit (million yen)	Operating revenue	16,363	16,695	+332
	Rental revenue	16,363	16,695	+332
	Operating expense	8,350	8,595	+244
	Expenses related to rent business	7,436	7,649	+213
	General and administrative expenses	914	945	+31
	Operating income	8,013	8,100	+87
	Non-operating income	51	41	-9
	Non-operating expenses	787	743	-44
	Ordinary income	7,277	7,399	+121
	Net income	7,276	7,398	+121
DPU (yen) (per unit)	7,595	7,720	+125	
Number of units outstanding (unit)		958,250	958,250	-

Item	37th Period	38th Period (forecast)	Change		
				Acquired properties	Existing properties
Rental revenue	16,363	16,695	+332	+282	+50
Rental revenue	15,674	15,750	+76	+219	-143
Rents and common charge	13,520	13,576	+56	+216	-160
Land rent	1,783	1,793	+9	-	+9
Other fixed income	370	380	+10	+2	+7
Other rental revenue	689	945	+256	+62	+193
Incidental income	620	877	+257	+61	+195
Cancellation penalty, etc	9	10	+1	-	+1
Income equivalent to expense for restoration	21	18	-3	-	-3
Other variable income	37	38	+1	+1	-0
Expenses related to rent business	7,436	7,649	+213	+92	+121
Outsourcing fees	615	632	+16	+1	+15
Utilities expenses	712	907	+195	+40	+154
Property and other taxes	2,358	2,386	+27	-0	+27
Insurance premiums	26	26	+0	+0	-0
Repairs and maintenance	602	532	-70	+15	-85
Property management fees	331	302	-28	+4	-33
Management association accounts	573	589	+16	+6	+9
Depreciation	2,027	2,086	+58	+23	+34
Other expenses related to rent business	187	186	-1	-0	-1
NOI	10,954	11,132	+177	+213	-36
NOI yield (book value)	5.2%	5.1%	-0.1%pt		
Rental income-real estate	8,927	9,045	+118	+190	-71
After-depreciation (book value)	4.2%	4.2%	- %pt		
Occupancy rate based on included contract (period average)	99.6%	99.1%	-0.5%pt		

### Rental revenue

- ① [Rent and common charge] Existing property's rents are expected to decrease due to late closing according to the effect of COVID-19 and discount rent by the large tenant.
- ② [Incidental income] Likely to increase mainly due to seasonal factors

### Expenses related to rent business

- ③ [Utilities expense] Likely to increase due mainly to seasonable factors, and balance of utility expenses is expected to improve
- ④ [Property and other taxes] Expected to increase in the absence of the refund of fixed property taxes and city planning taxes received in the previous period
- ⑤ [Property management fee] Fees for upward revision of rents will decrease

### Non-operating income and expense

- ⑥ [Non-operating expense] Expected to decrease mainly in the absence of loss on retirement of non-current assets recorded in the previous fiscal period

\*1 The increase/decrease due to the acquisition of the Minami Semba Building in the 37th fiscal period and the Sencity Building that is scheduled to be acquired is calculated.

\*2 Increase/decrease for existing properties, excluding the above, is calculated (the major factors behind the increase/decrease for existing properties are described in ① to ⑤).

## Forecast of the 39th fiscal period ending June 2021

**DPU: 7,500yen (down 220yen from 38th period (Dec. '20) forecast)**

Cash distributions are expected to decrease, reflecting contract cancellation by a large tenant and increasing property and other taxes

With an eye on a new medium-term goal, aim for stable growth through the proactive upward revision of rents and cost control.

Item		Dec. 31 '20	Jun. 30 '21	Change
		38th Period (forecast)	39th Period (forecast)	
Revenue and profit (million yen)	Operating revenue	16,695	16,475	-220
	Rental revenue	16,695	16,475	-220
	Operating expense	8,595	8,609	+14
	Expenses related to rent business	7,649	7,669	+19
	General and administrative expenses	945	940	-5
	Operating income	8,100	7,866	-234
	Non-operating income	41	53	+12
	Non-operating expenses	743	731	-11
	Ordinary income	7,399	7,188	-210
	Net income	7,398	7,187	-210
DPU (yen) (per unit)	7,720	7,500	-220	
Number of units outstanding		958,250	958,250	-

Item	38th Period(forecast)	39th Period(forecast)	Change
Rental revenue	16,695	16,475	-220
Rental revenue	15,750	15,658	-92
Rents and common charge	13,576	13,431	-145
Land rent	1,793	1,846	+53
Other fixed income	380	380	+0
Other rental revenue	945	817	-127
Incidental income	877	776	-101
Cancellation penalty, etc.	10	-	-10
Income equivalent to expense for restoration to original condition	18	-	-18
Other variable income	38	41	+2
Expenses related to rent business	7,649	7,669	+19
Outsourcing fees	632	624	-7
Utilities expenses	907	816	-91
Property and other taxes	2,386	2,584	+198
Insurance premiums	26	27	+0
Repairs and maintenance	532	434	-97
Property management fees	302	303	+1
Management association accounts	589	593	+3
Depreciation	2,086	2,099	+13
Other expenses related to rent business	186	186	+0
NOI	11,132	10,905	-226
NOI yield (book value)	5.1%	5.1%	- %pt
Rental income-real estate	9,045	8,806	-239
After-depreciation (book value)	4.2%	4.1%	-0.1%pt
Occupancy rate based on included contract (period average)	99.1%	98.6%	-0.5%pt

### Rental revenue

- ① [Rent and common charge] Expected to decrease due to contract cancellation by a large tenant
- ② [Land rent] Land rent for Otemachi Tower (land with leasehold interest) will be revised as a result of increase in fixed property and city planning taxes (contribution for 3 months from April)
- ③ [Incidental income] Likely to decrease chiefly due to seasonal factors

### Expenses related to rent business

- ④ [Utilities expense] Expected to decrease primarily due to seasonal factors, and balance of utility expenses is likely to worsen slightly
- ⑤ [Property and other taxes] Property and city planning taxes are expected to increase due to revaluation of property tax and occurrence of expenses for properties acquired in the previous year

### Non-operating income and expense

- ⑥ [Non-operating revenue] Likely to increase due to recording of settlement on management association accounts
- ⑦ [Non-operating expense] Financial costs such as interest expense will decrease

Item	35th Period		36th Period		37th Period		38th Period		39th Period		
	(Jun. 30, '19)	Change	(Dec. 31, '19)	Change	(Jun. 30, '20)	Change	(Dec. 31, '20) (forecast)	Change	(Jun. 30, '21) (forecast)	Change	
Rental business profits (million yen)	Operating revenue	15,695	0.3%	16,005	2.0%	16,363	2.2%	16,695	2.0%	16,475	-1.3%
	Rental revenue (fixed income)	14,857	0.9%	15,081	1.5%	15,674	3.9%	15,750	0.5%	15,658	-0.6%
	Rents and common charge	12,723	0.7%	12,939	1.7%	13,520	4.5%	13,576	0.4%	13,431	-1.1%
	Land rent	1,726	2.8%	1,774	2.7%	1,783	0.5%	1,793	0.5%	1,846	3.0%
	Other fixed income	407		368		370		380		380	
	Other rental revenue (variable income)	838	-9.8%	924	10.3%	689	-25.4%	945	37.2%	817	-13.5%
	incidental income	683	-14.7%	799	17.0%	620	-22.5%	877	41.5%	776	-11.5%
	Cancellation penalty, etc.	46		21		9		10		-	
	Income equivalent to expense for restoration to original condition	71		62		21		18		-	
	Other variable income	36		40		37		38		41	
	Expenses related to rent business (excluding depreciation)	5,384	0.3%	5,564	3.4%	5,408	-2.8%	5,563	2.9%	5,570	0.1%
	Outsourcing fees	593	-0.2%	609	2.7%	615	1.0%	632	2.8%	624	-1.3%
	Utilities expenses	782	-12.3%	866	10.7%	712	-17.8%	907	27.4%	816	-10.1%
	Property and other taxes	2,349	6.3%	2,335	-0.6%	2,358	1.0%	2,386	1.2%	2,584	8.3%
	Insurance premiums	24		25		26		26		27	
	Repairs and maintenance	578	1.6%	610	5.4%	602	-1.3%	532	-11.7%	434	-18.4%
	Property management fees	293		299		331		302		303	
	Management association accounts	569		570		573		589		593	
	Other expenses related to rent business	192		247		187		186		186	
	NOI	10,311	0.3%	10,441	1.3%	10,954	4.9%	11,132	1.6%	10,905	-2.0%
Depreciation	1,965	1.1%	1,973	0.4%	2,027	2.7%	2,086	2.9%	2,099	0.6%	
Expenses related to rent business	7,349	0.5%	7,538	2.6%	7,436	-1.4%	7,649	2.9%	7,669	0.3%	
Rental income-real estate (a)	8,346	0.1%	8,467	1.5%	8,927	5.4%	9,045	1.3%	8,806	-2.6%	
Capital expenditures	1,325	17.7%	1,582	19.5%	1,380	-12.8%	1,623	17.6%	1,569	-3.3%	
NCF	8,986	-1.9%	8,858	-1.4%	9,574	8.1%	9,508	-0.7%	9,335	-1.8%	
Gain or loss on sale of properties (million yen)	Gain on sale of real estate (b)	405		-		-		-		-	
	Loss on sale of real estate (c)	-		-		-		-		-	
Rental income-real estate, etc. (million yen, a+b-c)	8,751	4.9%	8,467	-3.3%	8,927	5.4%	9,045	1.3%	8,806	-2.6%	

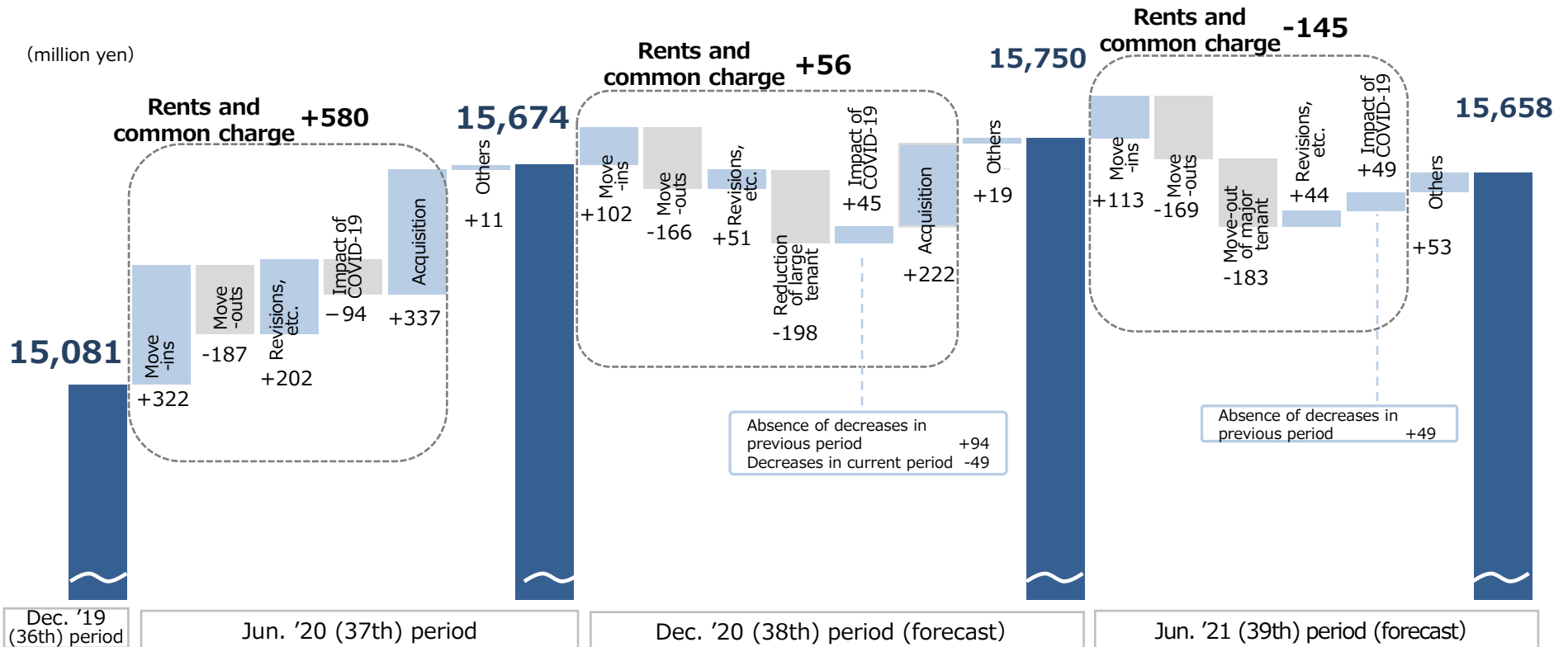
Rental revenue for the Dec. '20 period is expected to rise approx. 700 million yen (period-on-period)

Rental revenue for the Jun. '21 period is expected to fall approx. 900 million yen (period-on-period)

## Rent revenue (factor for period-on-period changes)

■ Rent revenue ■ Plus item ■ Minus item

(million yen)





## 4. Appendix

## Fund Summary



		32nd Period (Dec. 2017)	33rd Period (Jun. 2018)	34th Period (Dec. 2018)	35th Period (Jun. 2019)	36th Period (Dec. 2019)	37th Period (Jun. 2020)
LTV	(total assets)	40.6%	40.6%	40.5%	40.9%	40.8%	39.5%
	(unrealized gains and losses)	35.5%	34.9%	34.2%	33.9%	32.9%	32.2%
NOI yield	(acquisition value)	4.7%	4.7%	4.7%	4.8%	4.7%	4.9%
	(book value)	4.9%	4.9%	5.0%	5.1%	5.0%	5.2%
	(appraisal value)	4.3%	4.2%	4.1%	4.1%	4.0%	4.1%
After-depreciation yield	(acquisition value)	3.8%	3.8%	3.8%	3.9%	3.8%	4.0%
	(book value)	4.0%	4.0%	4.0%	4.1%	4.1%	4.2%
	(appraisal value)	3.5%	3.4%	3.4%	3.3%	3.2%	3.4%
Implied cap rate	NOI yield	3.9%	3.7%	3.7%	3.3%	3.4%	4.6%
	After-depreciation yield	3.2%	3.0%	3.0%	2.7%	2.7%	3.7%
FFO		8,587 million yen	8,632 million yen	8,707 million yen	8,776 million yen	8,888 million yen	9,341 million yen
AFFO		7,962 million yen	7,485 million yen	7,581 million yen	7,451 million yen	7,305 million yen	7,961 million yen
FFO per unit		9,303 yen	9,352 yen	9,433 yen	9,508 yen	9,630 yen	9,748 yen
EPS		7,221 yen	7,243 yen	7,324 yen	7,818 yen	7,491 yen	7,593 yen
Cash distribution per unit		7,223 yen	7,245 yen	7,326 yen	7,380 yen	7,493 yen	7,595 yen
Dividend yield		3.9%	3.5%	3.5%	3.0%	3.1%	4.6%
ROE		5.6%	5.6%	5.7%	6.0%	5.8%	5.7%
Reserve for reduction entry per unit		308 yen	308 yen	308 yen	746 yen	746 yen	719 yen
Net asset per unit		258,525 yen	258,546 yen	258,626 yen	259,118 yen	259,230 yen	266,984 yen
NAV per unit		320,060 yen	329,845 yen	341,007 yen	353,795 yen	368,917 yen	371,053 yen
Investment unit price (immediately before the ex-right date)		367,000 yen	416,500 yen	423,000 yen	490,500 yen	488,000 yen	329,000 yen
NAV multiple		1.1 times	1.3 times	1.2 times	1.4 times	1.3 times	0.9 times
PBR		1.4 times	1.6 times	1.6 times	1.9 times	1.9 times	1.2 times
PER		25.4 times	28.7 times	28.9 times	31.4 times	32.6 times	21.7 times
FFO multiple		19.7 times	22.3 times	22.4 times	25.8 times	25.3 times	16.9 times
Unitholder's equity ratio		53.4%	53.5%	53.4%	52.9%	52.8%	54.1%
Pay out ratio	(FFO)	77.6%	77.5%	77.7%	77.6%	77.8%	77.9%
	(AFFO)	83.7%	89.3%	89.2%	91.4%	94.7%	91.4%

1. [after-depreciation] Implied cap rate = [after depreciation] NOI (annualized, forecast for the next fiscal period x 2) / (market capitalization + interest-bearing debts - cash and deposits + tenant leasehold and security deposits)

2. FFO = Net income + depreciation - gain on loss on sale of real estate properties (including loss on retirement of non-current assets)

3. AFFO = FFO - capital expenditures

4. EPS = Net income / number of units outstanding (end of period)

5. Dividend yield = Cash distribution per unit (annualized, most recent result x 2) / investment unit price

6. ROE (return on equity) = Net income (annualized, most recent result x 2) / net assets

7. NAV per unit = (Net assets + unrealized gains or losses - total cash distributions) / number of units outstanding (end of period)

8. NAV multiple = Investment unit price / NAV per unit

9. PBR (price book-value ratio) = Investment unit price / net assets per unit

10. PER (price earnings ratio) = Investment unit price / EPS (annualized, most recent result x 2)

11. FFO multiple = Investment unit price / FFO per unit (annualized, most recent result x 2)

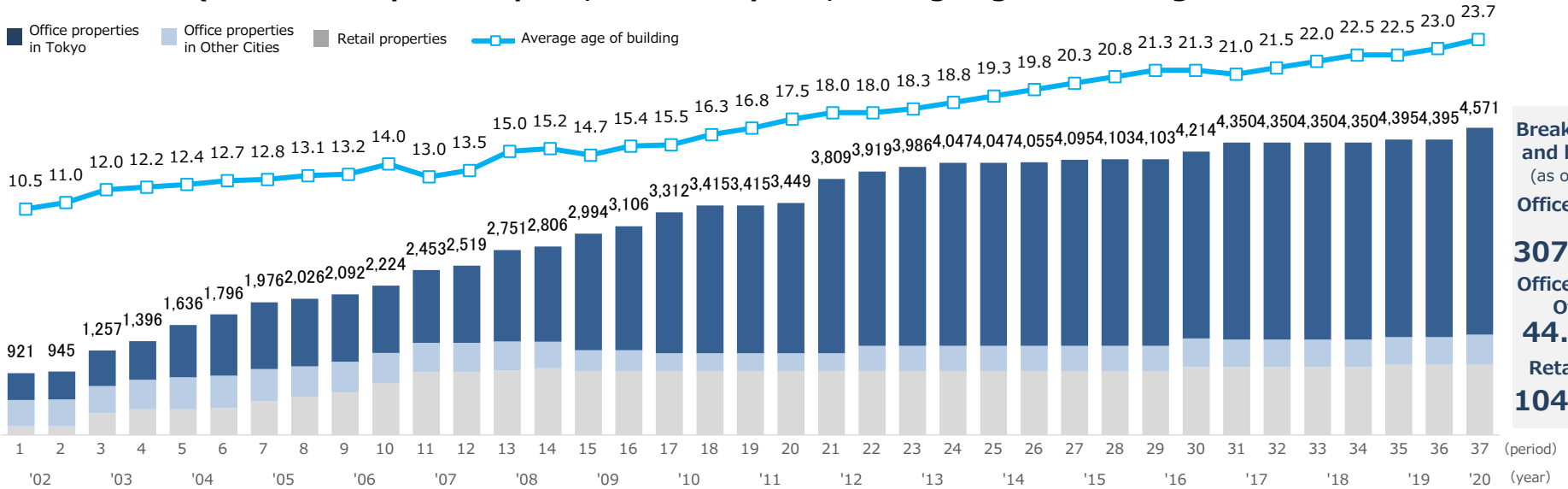
12. Unitholder's equity ratio = Net assets + total assets

13. FFO payout ratio = Total cash distributions / FFO

14. AFFO payout ratio = Total cash distributions / AFFO

15. Reserve for reduction entry indicates the figure calculated by adding or subtracting the amounts brought forward or reversed in the relevant fiscal period to or from the balance at the end of the fiscal period.

■ Asset Size (based on acquisition price, 100million yen) , Average age of building



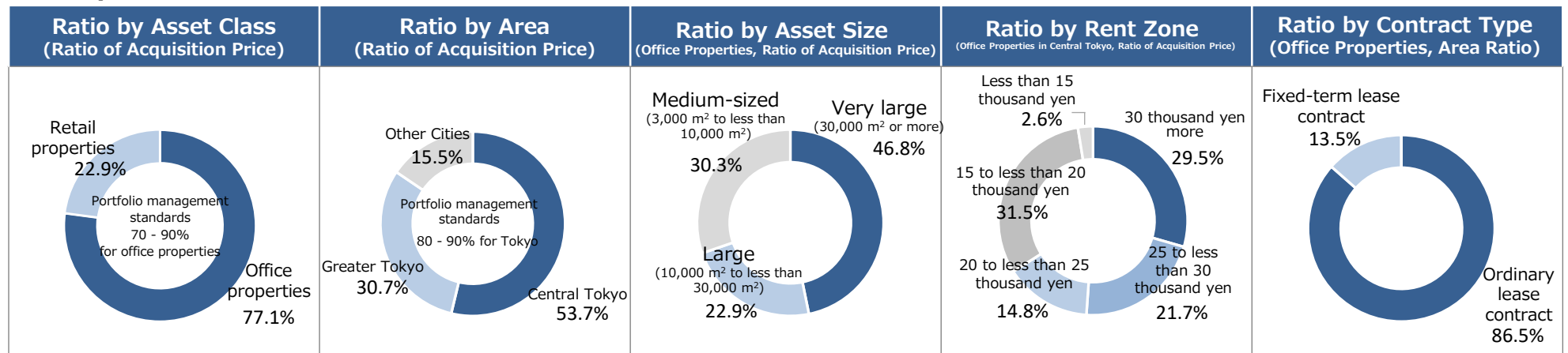
**Breakdown by area and by asset class**  
(as of Jun. 30, 2020)

**Office properties in Tokyo**  
307.5 billion yen

**Office properties in Other Cities**  
44.8 billion yen

**Retail properties**  
104.7 billion yen

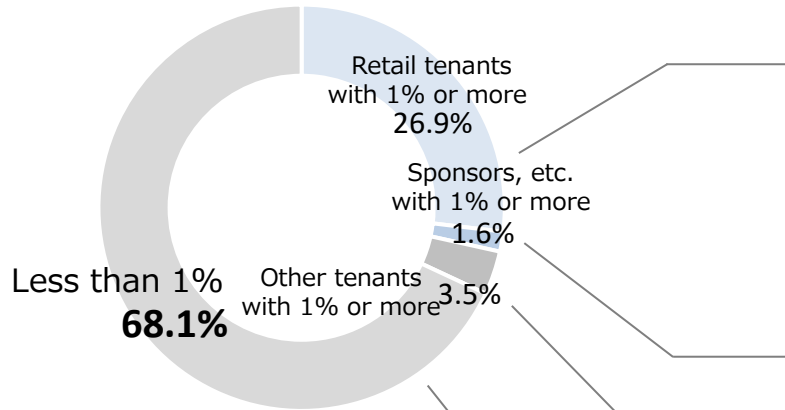
■ Every Kind of Ratio



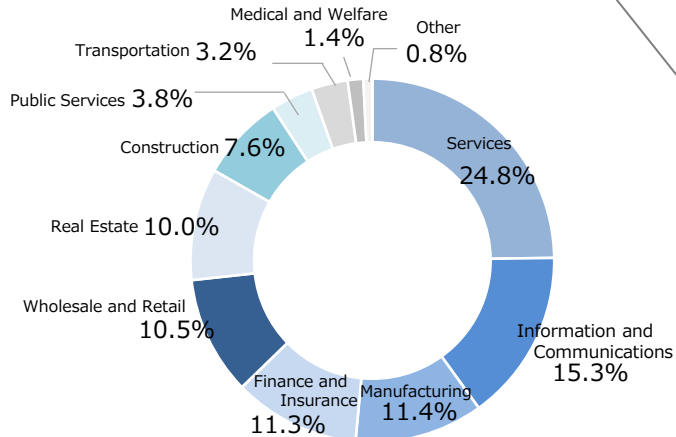


## Ratio of Tenant Occupancy

- The number of office tenants other than the sponsors, etc. with tenant occupancy of 1% or more is only 3 (combined occupancy: 3.5%) (excluding property comprising land with leasehold interest).
- Many of the retail tenants have long-term lease contracts, and the possibility for them to cancel is rather small.



## Ratio by Tenant's Industry (Office Properties, Area Ratio)



## 20 Largest Tenants (by property; based on end tenants)

Category (No. of tenants)	Tenant	Occupying property	Leased space (㎡)	Ratio of occupancy (%)
Retail tenants with 1% or more (8 companies)	ABC Development Corporation	Housing Design Center Kobe	35,444.13	7.1
	Seiyu GK	Tanashi ASTA	31,121.71	6.2
	Ito-Yokado Co., Ltd.	JPR Musashikosugi Bldg.	19,740.95	3.9
	The LOFT, Co., Ltd.	JPR Umeda Loft Bldg.	18,586.97	3.7
	Olympic Group Corporation	Musashiurawa Shopping Square	9,558.51	1.9
	Tower Records Japan Inc.	JPR Shibuya Tower Records Bldg.	8,076.85	1.6
	A company	Cupo-la Main Bldg.	5,963.00	1.1
	B company	Musashiurawa Shopping Square	5,285.40	1.0
Sponsors, etc. with 1% or more (1 company)	Tokyo Prime Stage Inc.	The Otemachi Tower (land with Leasehold Interest)	7,875.50	1.5
Other tenants with 1% or more (3 companies)	C company	Yakuin Business Garden	6,029.57	1.2
	D company	Rise Arena Bldg.	6,023.39	1.2
	E company	Olinas Tower	5,263.77	1.0
Less than 1% (839 companies)	F company	JPR Nagoya Fusimi Bldg.	4,904.64	0.9
	G company	Sompo Japan Sendai Bldg.	4,379.30	0.8
	H company	Olinas Tower	4,255.56	0.8
	I company	Shinjuku Square Tower	4,242.48	0.8
	J company	Gotanda First Bldg.	4,234.29	0.8
	K company	Niigata Ekinan Center Bldg.	4,078.97	0.8
	L company	Omiya Prime East	4,005.05	0.8
M company	MS Shibaura Bldg.	3,922.74	0.7	

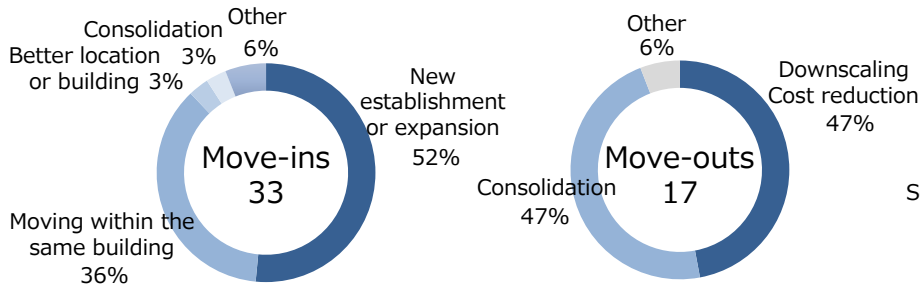
1. "Ratio of occupancy" is rounded down to the second decimal place.

## ■ Breakdown and Changes in Move-Ins and Move-Outs

(Move-in/move-out spaces by area and asset class: m<sup>2</sup>)

	Move-Ins	Move-Outs	Net Increase /Decrease
Office properties in Central Tokyo	1,021	-763	257
Office properties in Greater Tokyo	1,854	-1,274	580
Office properties in Other Cities	911	-1,289	-377
Retail properties	87	0	87
<b>Total</b>	<b>3,876</b>	<b>-3,328</b>	<b>547</b>

## ■ Reasons for move-ins and move-outs

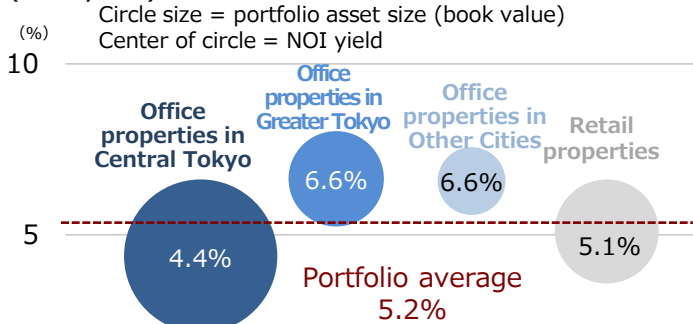


## ■ Move-In/Move-Out Spaces by Property

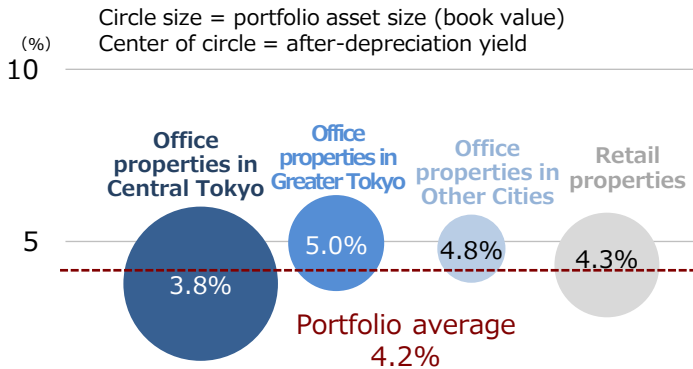
	(Move-ins)-(move-out)	Move-outs	Move-ins	(m)
Shinjuku Square Tower	0	-484	484	
Shinjuku Center Building	0	-199	200	
Ginza Sanwa Bldg.	0	-40	40	
Science Plaza - Yonbancho Plaza	140		140	
Tokyo Square Garden	-39	-39		
JPR Kojimachi Bldg.	155		155	
JPR Chiba Bldg.	75	-255	331	
Shinyokohama 2nd Center Bldg.	98	-115	213	
Kawaguchi Center Bldg.	430		430	
Tachikawa Business Center Bldg.	90		90	
Yume-ooka Office Tower	-114	-903	789	
Kawasaki DICE Bldg.	87		87	
Tokyo Tatemono Honmachi Bldg.	-25	-25		
JPR Hakata Bldg.	-135	-208	72	
JPR Naha Bldg.	-81	-175	94	
Sompo Japan Sendai Bldg.	117		117	
Sompo Japan Wakayama Bldg.	0	-168	169	
Tenjin 121 Bldg.	54		54	
JPR Dojima Bldg.	-308	-308		
JPR Shinsaibashi Bldg.	0	-403	403	

## Yields by Area and by Asset Class (based on book value)

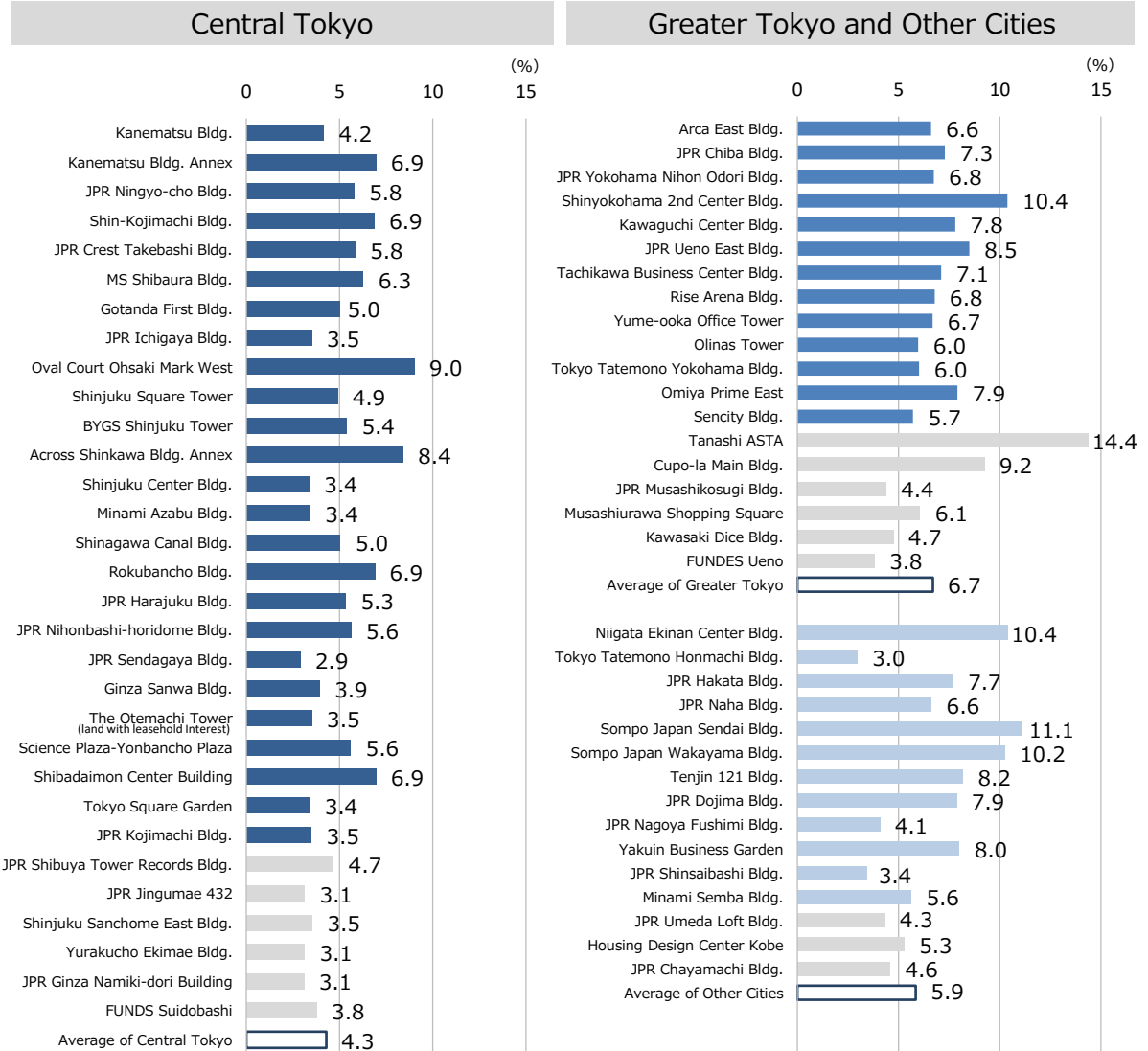
(NOI yield)



(After-depreciation yield)



## NOI Yield by Property (based on book value)



### Change in Occupancy Rate and Eents

Item		Jun. 2017 (31st period)	Dec. 2017 (32nd period)	Jun. 2018 (33rd period)	Dec. 2018 (34th period)	Jun. 2019 (35th period)	Dec. 2019 (36th period)	Jun. 2020 (37th period)
Office	Occupancy rate (period average),%	97.8	97.8	97.6	98.8	98.8	99.2	99.4
	Average rent (entire area), yen	17,579	17,626	17,859	17,980	18,177	18,477	18,801
	Average rent (central Tokyo), yen	20,705	20,748	20,882	21,053	21,459	21,833	22,183
	Average rent (greater Tokyo), yen	16,861	16,888	17,134	17,233	17,240	17,403	18,139
	Average rent (other cities), yen	12,164	12,322	13,032	13,149	13,375	13,562	13,720
	Gap in rent (%)	-1.1	-3.1	-3.2	-4.1	-5.1	-6.9	-4.8
Retail	Occupancy rate (period average),%	100.0	99.7	99.4	99.9	99.9	100.0	100.0

### Status of Rent revision, Rent Through Tenant Replacement and Contribution Rate (Jun. '20)

Item	Number of contracts	Area (m <sup>2</sup> )	Area ratio(%)	Increase/Decrease (million yen)	Increase/Decrease ratio (%)
Rent revision subtotal	246	154.6	97.7	+29.2	+3.9
Upward revision of rent	139	71.9	45.4	+29.2	+7.7
Downward revision of rent	-	-	-	-	-
Neither upward or downward revision of rent	107	82.7	52.2	-	-
Tenant replacement subtotal	26	3.6	2.3	+3.6	+21.0
Increase through tenant replacement	23	3.4	2.2	+3.6	+22.4
Decrease through tenant replacements	3	0.1	0.1	-0.0	-9.3
Total (Rent revision + Tenant replacement)	272	158.3	100.0	+32.8	+4.3

### Leased Area by Rent Level/Ratio of Contracts with Upward Rent Revision (Contracts renewed Jun. '20 period)

Item	Area (thousand m <sup>2</sup> )	Area ratio (%)	Ratio of contracts with upward revision (%)
Less than market rent	59.2	65.8	79.9
Within market rent	11.6	12.9	32.3
Market rent more	19.1	21.3	18.8

### Leased Area by Rent Level (Contracts renewed Dec. '20. period - Jun. '22 period)

Item	Area (thousand m <sup>2</sup> )	Area ratio (%)
Less than market rent	156.9	56.0
Market rent	67.3	24.0
Market rent more	55.8	19.9

### Appraisal Value and Unrealized Gains

➤ Unrealized gains remained at a high level

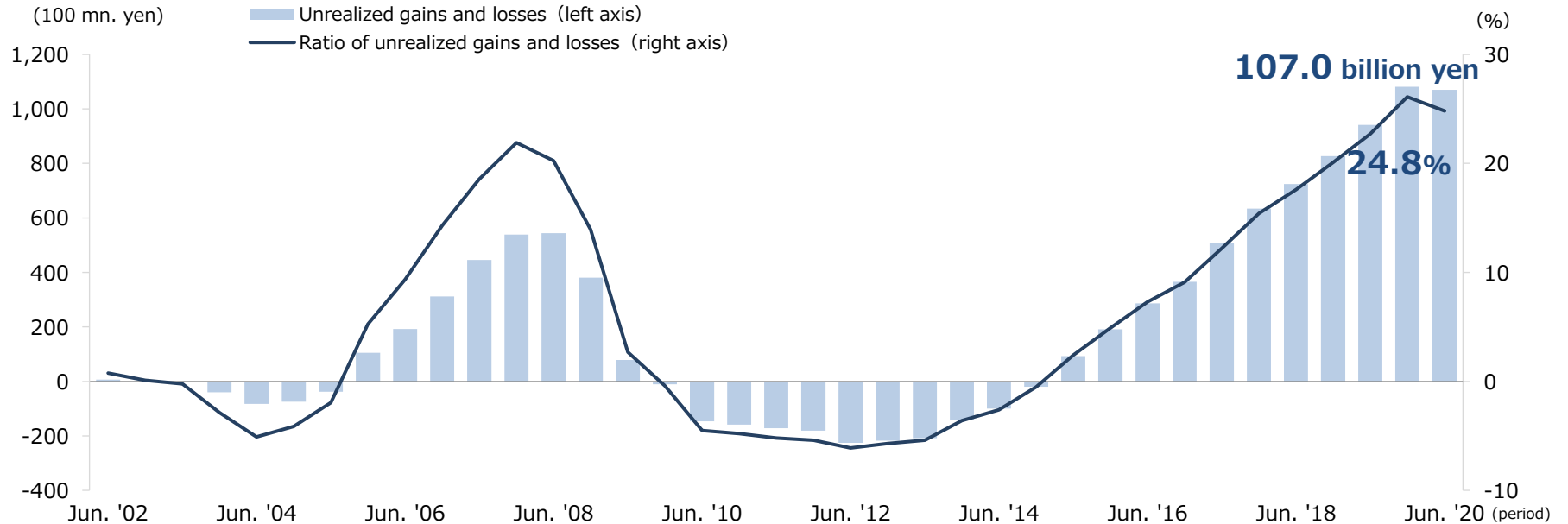
Appraisal value	Unrealized gains	Ratio of unrealized gains
<b>538.6</b> billion yen (up 15.9 billion yen from 36th period (Dec. '19))	<b>107.0</b> billion yen (down 1.1 billion yen from 36th period (Dec. '19))	<b>24.8%</b> (down 1.3% pt from 36th period (Dec. '19))

### Status of Change in Appraisal Value

➤ Appraisal value of certain properties decreased mainly reflecting revaluation of fixed property and city planning taxes in fiscal 2021

	(Appraisal Value) (number of property)		(Direct Cap Rate) (number of property)	
	Dec. '19	Jun. '20	Dec. '19	Jun. '20
Increase	50	23	Lowering	48
Same	6	16	Same	15
Decrease	7	26	Rising	0

### Changes in unrealized gains and losses



## 4. Appendix

## Appraisal Value by Property (as of June 30, 2020)



Property name	Appraisal value (mn yen)	Change (mn yen)	Direct cap (NCF Cap) (%)	Change (% pt)	DCF discount rate (%)	Change (% pt)	DCF terminal cap (%)	Change (% pt)	Book value (mn yen)	Unrealized gain or loss (mn yen)
Kanematsu Bldg.	14,900	-300	3.4	0.0	3.2	0.0	3.6	0.0	14,589	+310
Kanematsu Bldg. Annex	3,500	-70	3.8	0.0	3.6	0.0	4.0	0.0	2,419	+1,080
JPR Ningyo-cho Bldg.	2,890	-	3.8	0.0	3.6	0.0	4.0	0.0	2,101	+788
Shin-Kojimachi Bldg.	4,240	+50	3.6	0.0	3.3	0.0	3.8	0.0	2,422	+1,817
JPR Crest Takebashi Bldg.	3,770	+30	3.8	0.0	3.6	0.0	4.0	0.0	3,209	+560
MS Shibaura Bldg.	15,000	+100	4.1	0.0	3.8	0.0	4.3	0.0	10,853	+4,146
Gotanda First Bldg.	4,150	+370	3.7	0.0	3.4	0.0	3.9	0.0	2,981	+1,168
JPR Ichigaya Bldg.	4,820	-150	3.7	0.0	3.5	0.0	3.9	0.0	5,266	-446
Oval Court Ohsaki Mark West	5,450	-	3.8	0.0	3.6	0.0	4.0	0.0	2,767	+2,682
Shinjuku Square Tower	14,700	-200	3.7	0.0	3.5	0.0	3.9	0.0	13,105	+1,594
BYGS Shinjuku Bldg.	21,100	-500	3.6	0.0	3.4	0.0	3.8	0.0	15,297	+5,802
Across Shinkawa Bldg. Annex	777	-13	4.5	0.0	4.3	0.0	4.7	0.0	575	+201
Shinjuku Center Bldg.	17,600	+300	3.2	0.0	2.9	0.0	3.4	0.0	22,125	-4,525
Minami Azabu Bldg.	3,050	+140	3.8	0.0	3.6	0.0	4.0	0.0	3,786	-736
Shinagawa Canal Bldg.	2,380	+20	3.9	0.0	3.6	0.0	4.1	0.0	1,881	+498
Rokubancho Bldg.	3,590	-60	3.9	-0.9	3.7	0.0	4.1	0.0	2,913	+676
JPR Harajuku Bldg.	11,100	-400	3.7	0.0	3.5	0.0	3.9	0.0	8,727	+2,372
JPR Nihonbashi-horidome Bldg.	6,800	-40	4.2	0.0	4.0	0.0	4.4	0.0	4,858	+1,941
JPR Sendagaya Bldg.	11,900	-200	3.8	0.0	3.6	0.0	4.0	0.0	14,751	-2,851
Ginza Sanwa Bldg.	3,690	-80	3.0	0.0	2.7	0.0	3.1	0.0	3,685	+4
The Otemachi Tower (Land with Leasehold Interest)	51,800	-100	2.6	0.0	2.5	0.0	2.7	0.0	38,388	+13,411
Science Plaza - Yonbancho Plaza	3,310	+10	3.8	0.0	3.4	0.0	4.0	0.0	2,761	+548
Shibadaimon Center Bldg.	6,170	-	3.5	0.0	3.2	0.0	3.7	0.0	4,154	+2,015
Tokyo Square Garden	21,400	-300	2.6	0.0	2.4	0.0	2.8	0.0	18,457	+2,942
JPR Kojimachi Bldg.	6,420	+10	3.3	0.0	3.0	0.0	3.4	0.0	5,819	+600
JPR Shibuya Tower Records Bldg.	13,800	-	3.4	0.0	3.2	0.0	3.6	0.0	11,437	+2,362
JPR Jingumae 432	4,240	+10	2.9	0.0	3.0	0.0	3.1	0.0	4,256	-16
Shinjuku Sanchoe East Bldg.	2,700	-100	3.2	0.0	2.7	0.0	3.4	0.0	2,562	+137
Yurakucho Ekimae Bldg. (Yurakucho Itocia)	3,240	-	2.9	0.0	2.5	0.0	3.1	0.0	3,284	-44
JPR Ginza Namiki-dori Bldg.	11,000	-100	2.8	0.0	2.5	0.0	2.8	0.0	10,135	+864
FUNDES Suidoubashi	3,480	-90	3.5	0.0	3.3	0.0	3.7	0.0	3,199	+280
Arca East	6,880	-	3.8	0.0	3.5	0.0	4.0	0.0	4,211	+2,668
JPR Chiba Bldg.	1,820	+10	5.2	0.0	5.0	0.0	5.4	0.0	2,194	-374
JPR Yokohama Nihon Odori Bldg.	2,340	-20	4.9	0.0	4.7	0.0	5.1	0.0	2,388	-48
Shinyokohama 2nd Center Bldg.	2,330	+20	4.5	0.0	4.3	0.0	4.7	0.0	1,416	+913
Kawaguchi Center Bldg.	9,940	+200	4.7	0.0	4.4	0.0	4.9	0.0	7,338	+2,601
JPR Ueno East Bldg.	5,380	-	3.7	0.0	3.5	0.0	3.9	0.0	2,915	+2,464

Property name	Appraisal value (mn yen)	Change (mn yen)	Direct cap (NCF Cap) (%)	Change (% pt)	DCF discount rate (%)	Change (% pt)	DCF terminal cap (%)	Change (% pt)	Book value (mn yen)	Unrealized gain or loss (mn yen)
Tachikawa Business Center Bldg.	4,470	-	4.1	0.0	3.8	0.0	4.3	0.0	2,865	+1,604
Rise Arena Bldg.	9,510	-10	3.8	0.0	3.5	0.0	3.9	0.0	5,149	+4,360
Yume-ooka Office Tower	7,220	+180	4.0	0.0	3.7	0.0	4.2	0.0	5,279	+1,940
Olinas Tower	40,000	-	3.6	0.0	3.3	0.0	3.8	0.0	26,482	+13,517
Tokyo Tatemono Yokohama Bldg.	9,630	+50	4.0	0.0	3.8	0.0	4.2	0.0	7,110	+2,519
Omiya Prime East	9,640	+210	4.3	0.0	4.1	0.0	4.5	0.0	5,607	+4,032
Tanashi ASTA	11,000	-1,500	5.2	0.0	5.1	0.0	5.4	0.0	7,103	+3,896
Cupo-la Main Bldg.	2,970	-	4.9	0.0	4.7	0.0	5.1	0.0	1,625	+1,344
JPR Musashikosugi Bldg.	5,540	-140	4.7	0.0	4.5	0.0	4.9	0.0	7,175	-1,635
Musashirawa Shopping Square	4,300	-50	4.9	0.0	4.8	0.0	5.1	0.0	3,527	+772
Kawasaki Dice Bldg.	16,300	-	4.1	0.0	4.0	0.0	4.3	0.0	13,029	+3,270
FUNDES Ueno	4,000	-	3.7	0.0	3.4	0.0	3.9	0.0	3,797	+202
Niigata Ekinan Center Bldg.	2,270	-	5.6	0.0	5.6	0.0	5.8	0.0	1,594	+675
Tokyo Tatemono Honmachi Bldg.	3,580	-40	4.4	0.0	4.1	0.0	4.6	0.0	4,359	-779
JPR Hakata Bldg.	3,980	+60	4.3	0.0	4.2	0.0	4.5	0.0	2,901	+1,078
JPR Naha Bldg.	2,150	+20	5.0	0.0	5.0	0.0	5.2	0.0	1,647	+502
Sompo Japan Sendai Bldg.	4,620	-	4.9	0.0	4.6	0.0	5.1	0.0	2,331	+2,288
Sompo Japan Wakayama Bldg.	1,670	+10	6.2	0.0	6.0	0.0	6.5	0.0	1,315	+354
Tenjin 121 Bldg.	3,640	+240	4.2	0.0	3.8	0.0	4.4	0.0	2,019	+1,620
JPR Dojima Bldg.	3,530	-	4.1	0.0	3.9	0.0	4.2	0.0	2,128	+1,401
JPR Nagoya Fushimi Bldg.	3,390	-10	4.8	0.0	4.4	0.0	4.8	0.0	3,787	-397
Yakuin Business Garden	20,100	+100	4.0	0.0	3.8	0.0	4.2	0.0	10,093	+10,006
JPR Shinsaibashi Bldg.	4,670	-20	3.7	0.0	3.4	0.0	3.8	0.0	5,184	-514
JPR Umeda Loft Bldg.	14,200	-200	3.8	0.0	3.5	0.0	4.0	0.0	12,477	+1,722
Housing Design Center Kobe	7,660	+90	5.4	0.1	5.2	0.1	5.5	0.1	6,050	+1,609
JPR Chayamachi Bldg.	8,320	-180	3.3	0.0	3.0	0.0	3.4	0.0	5,989	+2,330
<b>Total (except for new acquired buildings.)</b>	<b>520,017</b>	<b>-2,643</b>							<b>413,875</b>	<b>+106,141</b>
Central Tokyo	282,967	-1,663							242,776	+40,190
Greater Tokyo	153,270	-1,050							109,216	+44,053
Other Cities	83,780	+70							61,881	+21,898

### Properties to be acquired in Jun. '20 period

Sencity Bldg.	14,600	-	4.3	0.0	4.0	0.0	4.5	0.0	13,967	+632
Minami Semba Bldg.	4,010	+40	4.1	0.0	3.9	0.0	4.3	0.0	3,782	+227
<b>Total (as of 30 Jun, '20)</b>	<b>538,627</b>	<b>-2,603</b>							<b>431,625</b>	<b>+107,001</b>

- Direct cap indicates the capitalization rate that serves as the standard for calculating the value estimated by income approach based on the direct capitalization method.
- DCF discount rate and DCF terminal cap indicate the period income discount rate and the terminal capitalization rate that serve as the standard for calculating the value estimated by income approach based on the discounted cash flow (DCF) method.

- Changes for properties acquired in the Jun. '20 period are changes compared with figures which are based on the appraisal values of these properties at acquisition (Minami Semba Bldg.: as of December 1, 2019, Sencity Bldg.: as of January 1, 2020).

### ■ Role of JPR in Society

- Role of returning real estate rental revenues and other earnings to investors  
(Creating an environment in which a wide range of investors can participate in real estate investment and enjoy stable distributions)
- Role of supplying funds for long-term stable investment to the real estate investment market  
(Supporting activation and stabilization of the real estate investment market through the integration of real estate and finance and transparent information disclosure)
- Role of forming, regenerating and utilizing real estate stock  
(Promoting improvements in real estate stock through buildings with improved earthquake resistance and lower environmental impact and the creation of comfortable, convenient spaces)

### ■ Value Creation Process of JPR



### ■ Corporate philosophy of TRIM

TRIM provides value to all stakeholders, including customers, employees and society, by rendering professional real estate investment management services with sincerity and a sense of responsibility.

### ■ Sustainability Policy

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

#### 1. Initiatives on Behalf of Tenants

We will work with integrity and responsibility in responding to tenants, and endeavor to provide them with new and distinct values as well as enhancing their satisfaction.

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

Recognizing the importance of addressing environmental issues, we will aim to reduce environmental load through managing the assets owned by JPR.

- We will promote energy saving and reduction of greenhouse gas emissions.
- We will endeavor for effective use of water resources and work on the "3Rs" (reuse, reduce and recycle) of waste.
- We will strive to proactively disclose information on environmental issues.

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

We will work to coordinate with local communities through managing the assets owned by JPR, in an effort to contribute to enhancing the brand value of the entire area in which such assets are located.

#### 4. Initiatives on Behalf of the Employees

We will respect each one of our employees to realize an employee-friendly workplace, helping them to enhance abilities in their specialties.

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

We will abide by laws and regulations as well as the rules of society, and conduct business operations with a focus on transparency and objectivity while holding on to our high moral standards.

## CO<sub>2</sub> Emission Data

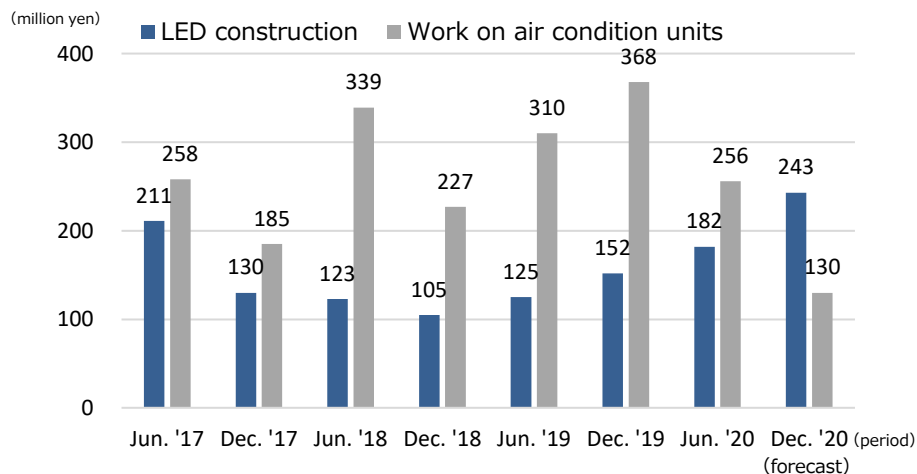
Third-party assurance has been received for some of the environmental data to ensure the reliability of the data.

Item	Units	FY2017	FY2018	FY 2019	Change
Electricity Use	MWh/m <sup>2</sup>	0.142	0.145	0.141	-2.7%
Gas Use	MWh/m <sup>2</sup>	0.027	0.028	0.026	-6.3%
Water Use	m <sup>3</sup> /m <sup>2</sup>	0.798	0.807	0.790	-2.1%
CO <sub>2</sub> Emission	tCO <sub>2</sub> /m <sup>2</sup>	0.084	0.079	0.076	-2.8%

## Construction Works for Reducing Environmental Load

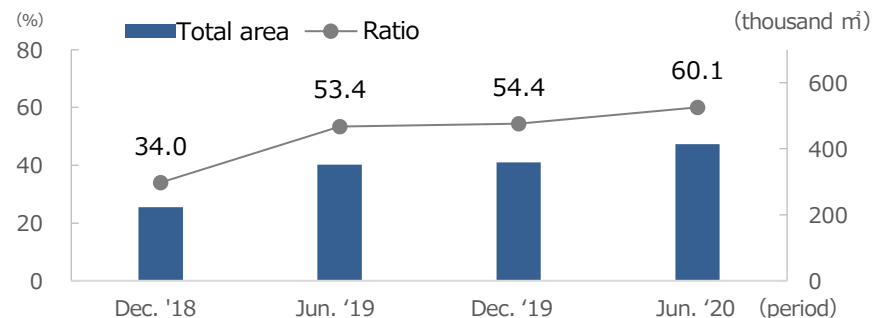
Systematically implement refurbishment to highly energy-efficient facilities

(Change in implement refurbishment to highly energy-efficient facilities)



## Acquisition of environmental certification

Focus on improving rate of acquisition of environmental certification, aiming for portfolio with low environmental impact and high sustainability



### (DBJ Green Building Certification)

Ranking	Property name
★★★★★	Tokyo Square Garden, Olinas Tower
★★★★	Oval Court Ohsaki Mark West, Shinjuku Center Bldg., JPR Sendagaya Bldg.
★★★	Kanematsu Bldg., BYGS Shinjuku Bldg., Shinagawa Canal Bldg., Omiya Prime East, Rise Arena Bldg., Yume-ooka Office Tower, Kawasaki Dice Bldg.
★★	JPR Crest Takebashi Bldg., Shinjuku Square Tower, Minami Azabu Bldg., JPR Chiba Bldg.



### (CASBEE for Building Certification)

Ranking	Property name
★★★★★	JPR Kojimachi Bldg., FUNDES Ueno, JPR Musashikosugi Bldg., Musashiurawa Shopping Square, Sompo Japan Sendai Bldg., JPR Umeda Loft Bldg., Housing Design Center Kobe
★★★★	Kawaguchi Center Bldg., JPR Shibuya Tower Records Bldg., Yakuin Business Garden



1. Properties with environmental certification are as of the end of Jun. 2020.



## Local Community Initiatives

Example: Tokyo Square Garden

Community consideration

- Has space to house stranded commuters
- Has disaster prevention stockpile warehouse
- Provides emergency power source during power outage
- Has comprehensive primary healthcare facility for foreigners
- Has multilingual childcare support facility

Major achievements

- Good Design Award
- Certified as an "urban oasis" under SEGES in 2016
- Selected as leading projects of house and building working on carbon dioxide reduction



Tokyo Square Garden

## Disaster initiatives

Seeking to further strengthen resilience in light of the mega-disasters in recent years

(Actions currently being taken)

- Continuously conducting monitoring using portfolio hazard map
- Assessing latest risks in areas in which properties are located and seeking to strengthen facilities accordingly
- Conducting regular onsite assessments of disaster-prevention equipment at each property
- Sharing disaster risks with site managers, sharing current issues to be addressed, etc. and issuing instructions on actions to be taken in the future



Portfolio hazard map (Tokyo area)

## Improvement of tenant satisfaction (disaster response)

Installation of emergency boxes containing relief supplies inside elevators in case people are trapped inside during a disaster or power outage



[Elevator emergency box]

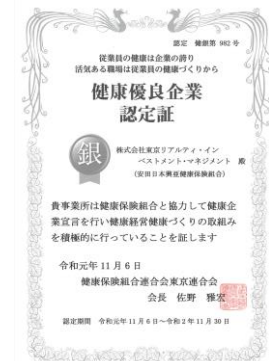
Provision of simple emergency generators, given the importance of charging smartphones in the event of disaster



[Emergency magnesium air battery]

## Initiatives for TRIM employees

- The Tokyo Tatemono Group, the main sponsor, has published its health management declaration and is implementing a range of initiatives.
- TRIM was recognized as a Blue-Chip Health-oriented Company and awarded the Silver Certificate for Blue Chip Health-oriented Companies.
- TRIM checks the health condition of its employees every day to fight the spread of COVID-19.
- TRIM conducts an employee satisfaction survey regularly and endeavors to improve the work environment, employee benefits and treatment.



## ■ JPR's Corporate Governance

### Criteria for appointing investment corporation officers and Remuneration etc.

- None of the grounds for disqualification stipulated in the laws concerning investment trusts and investment corporations
- Officers are appointed by means of a resolution of the General Meeting of Unitholders.
- The remuneration for executive officers and supervising officers is stipulated in the investment corporation regulations as the amount decided by the Board of Directors (up to a maximum of 500,000 yen per month for each executive officer and 400,000 yen per month for each supervising officer).

Position	Name	Other Current Assignments	Fee (Jun. '19)
			(thousand yen)
Executive Officer	Yoshihiro Jozaki	President and CEO Tokyo Realty Investment Management, Inc.	—
Supervising Officer	Masato Denawa	Partner Attorney, Spring Partners	4,200
	Nobuhisa Kusanagi	Group Representative Partner of Gyosei Certified Public Tax & Accountants' Co. Representative Partner of Nobuhisa Kusanagi Office	
Independent Auditor	Ernst & Young ShinNihon LLC	—	13,300

- 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.
- Executive Officer Yoshihiro Jozaki does not receive remuneration from JPR.

### Asset Management Fee

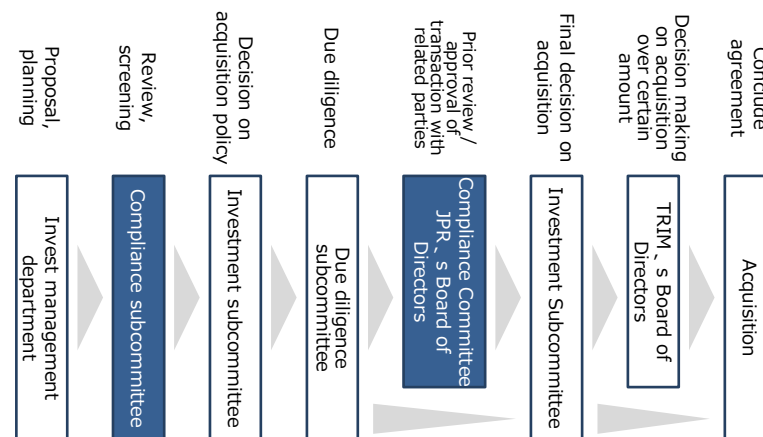
Employing a management fee system that matches unitholder's interests and benefits of the asset management company

Item	Calculation of Compensation	Remuneration (Jun '20)	Share
Management fee 1 (Asset-linked fee)	Total acquisition price×0.05%	219 million yen	27.5%
Management fee 2 (Revenue-linked fee)	Total revenue×1.2%	196 million yen	24.6%
Management fee 3 (Cash distribution-linked fee)	Distributable base amount ×3.8%×Rate of fluctuation of distributable base amount per unit	294 million yen	36.9%
Management fees 4/5 (Acquisition/Merger fee) (Sale fee)	Property value×0.5%	88 million yen	11.0%

## ■ TRIM's Corporate Governance

### Decision-making process for property acquisitions

- The following procedures are taken for cases of transactions with interested parties:
- An outside attorney is appointed as a special member of the Compliance Committee and examines and verifies the adequacy and rationality of transactions at the Committee.
  - Upon implementing the approved transactions, approval by JPR's board of directors, comprising directors who are independent from the shareholders of TRIM, must be obtained in advance.

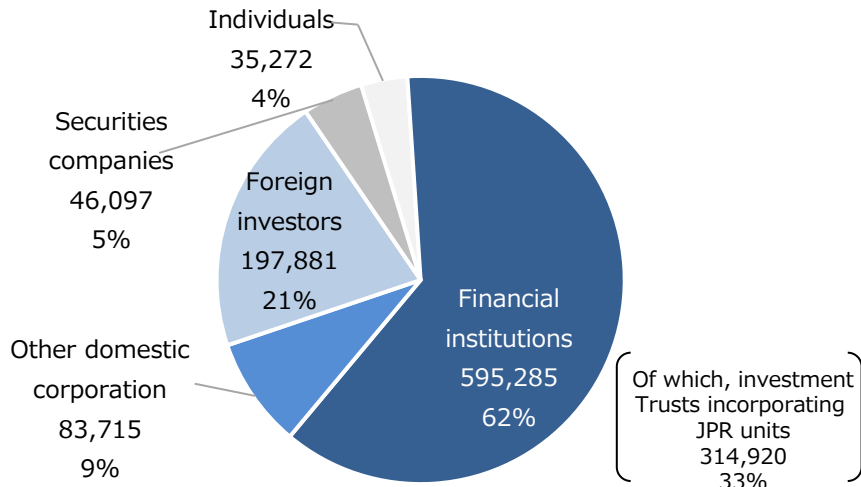


### Decision-making based on stringent processes

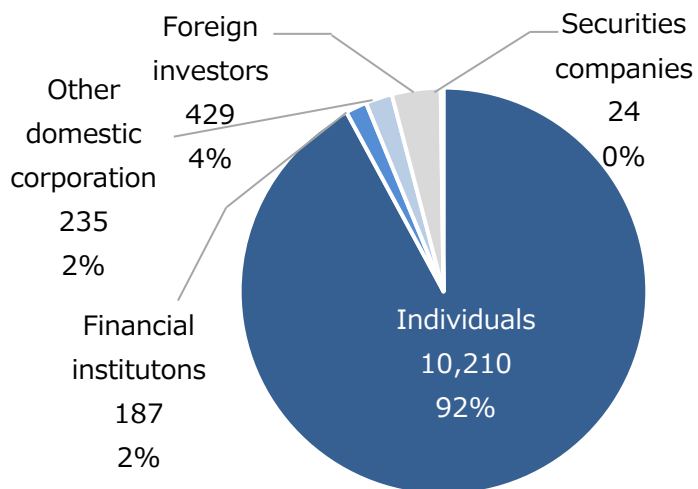
(Interested parties: Sponsors companies and their parent company es, subsidiaries and affiliates)

- Acquisition of properties or assets from interested parties
- Sale of properties or assets to interested parties
- Consignment of property management to interested parties
- Brokerage or agency by interested parties for transactions
- Placement of orders for construction works (costing over 10 million yen) to interested parties
- Leasing of properties to interested parties

■ Number of Units by Unitholder Type  
(958,250 units in total)



■ Number of Unitholders by Unitholder Type  
(11,085 unitholders in total)

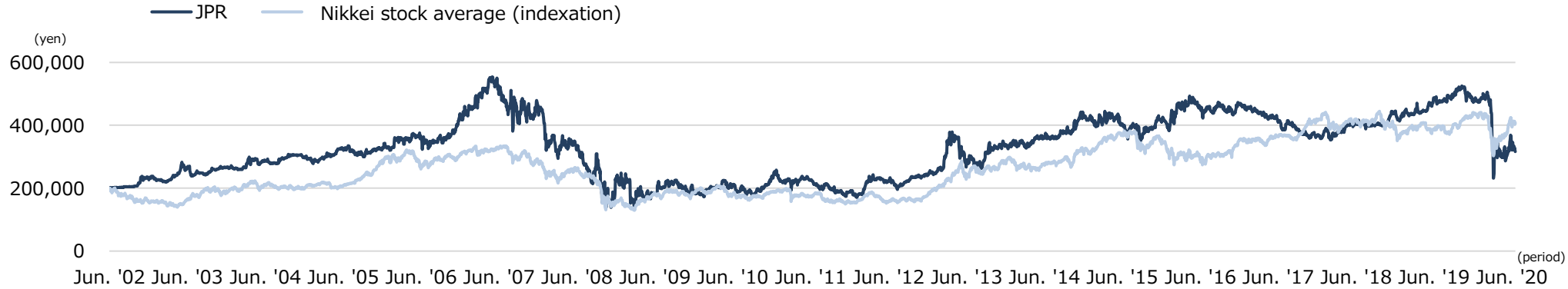


■ Top Unitholders

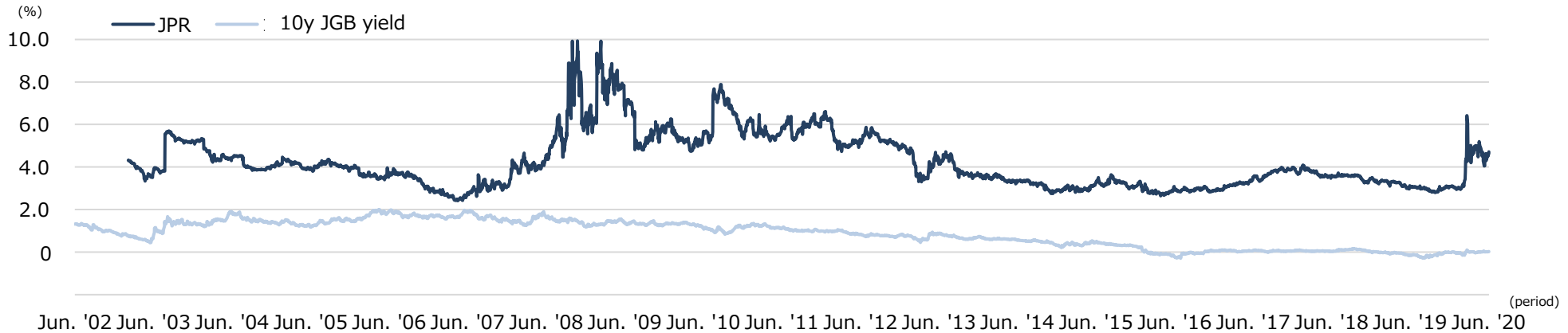
Rank	Name	Number of Owned Units	Share(%)
1	Japan Trustee Services Bank, Ltd. (Trust Account)	212,163	22.1
2	The Master Trust Bank of Japan, Ltd. (Trust Account)	136,919	14.3
3	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	47,342	4.9
4	Tokyo Tatemono Co., Ltd.	29,300	3.1
5	Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	25,773	2.7
6	Kawasaki Gakuen	25,000	2.6
7	Meiji Yasuda Life Insurance Company	24,000	2.5
8	STATE STREET BANK WEST CLIENT – TREATY 505234	14,009	1.5
9	SSBTC CLIENT OMNIBUS ACCOUNT	13,922	1.5
10	Japan Securities Finance Co., Ltd.	12,300	1.3
	<b>Total</b>	<b>540,728</b>	<b>56.4</b>



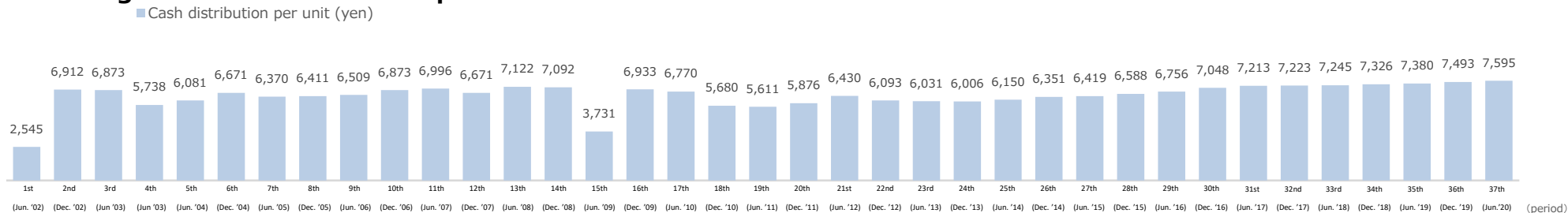
## Changes in Unit Price



## Changes in JPR Dividend Yield



## Changes in cash distribution per unit



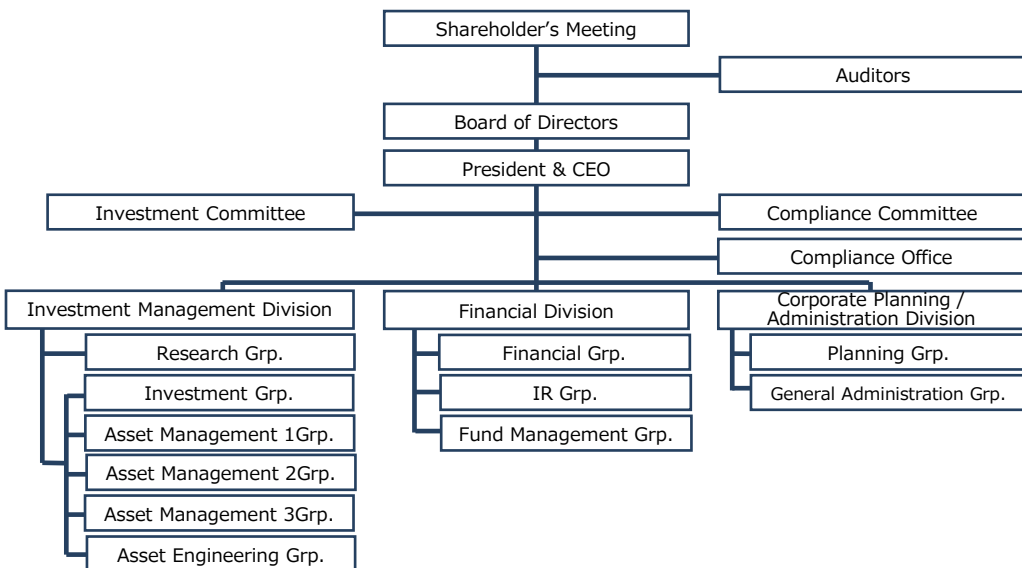
1. Prepared by TRIM based on Refinitiv (Thomson Reuters) data.  
 2. Nikkei stock average (indexation) in Changes in Unit Price is calculated on the basis that June 14, 2002 = 200,000 yen.  
 3. JPR dividend yield is calculated by dividing the sum of dividend for the last two periods by daily unit price.

## Summary of Asset Manager

(as of June 30, 2020)

Name	Tokyo Realty Investment Management, Inc. (TRIM)
Address	4-16 Yaesu 1-Chome, Chuo-ku, Tokyo
Date of Foundation	April 28, 2000
Paid-in Capital	350 million yen
Business Description	Asset management for investment corporation
President and CEO	Yoshihiro Jozaki
Directors	7 (3 full-time and 4 part-time)
Number of Officers	39

## Organization Chart



## Sponsors

(as of June 30, 2020)

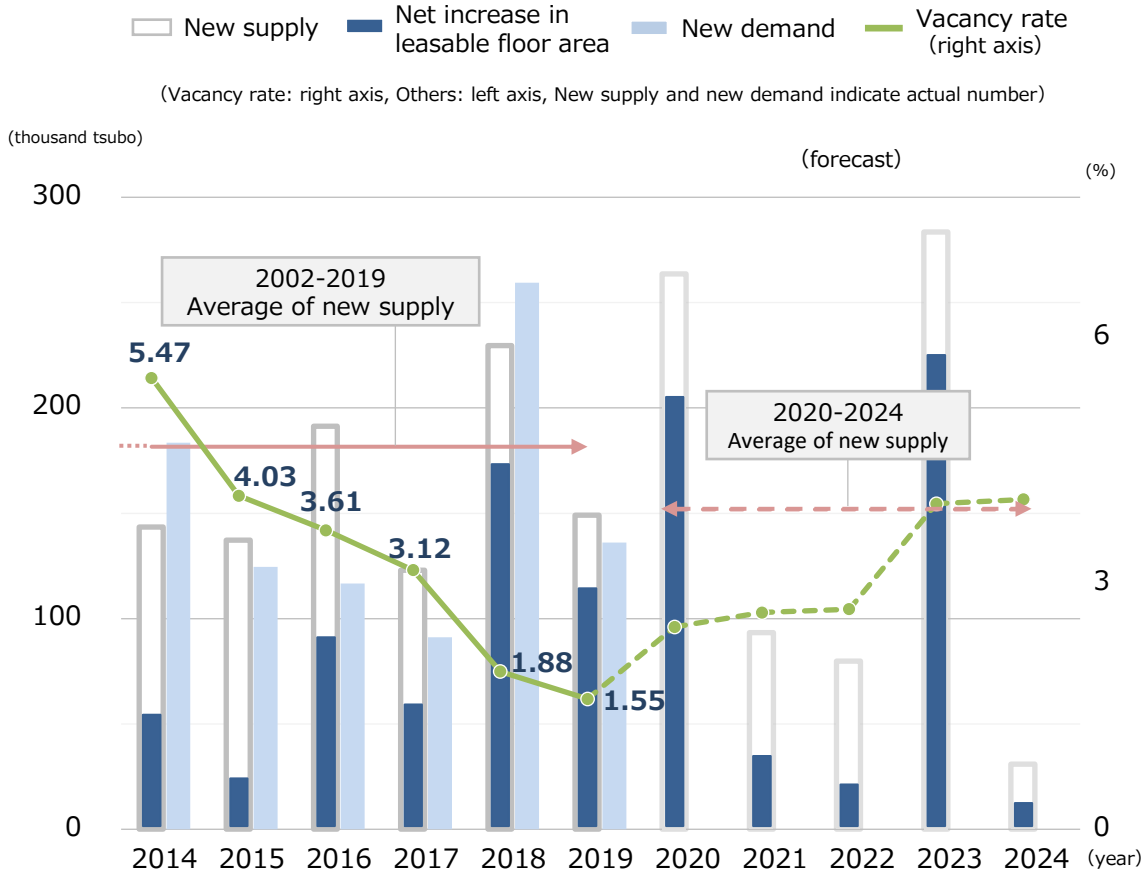
Name	Shareholding ratio (Before change)	Shareholding ratio (after change)	No. of seconded staff from sponsors
Tokyo Tatemono	52%	75%	9名
Yasuda Real Estate	18%	10%	–
Taisei Corporation	10%	10%	–
Meiji Yasuda Life Insurance	10%	5%	–
Sompo Japan Nipponkoa Insurance	10%	–	1名

1. Shareholding ratios changed with effect April 28, 2020.

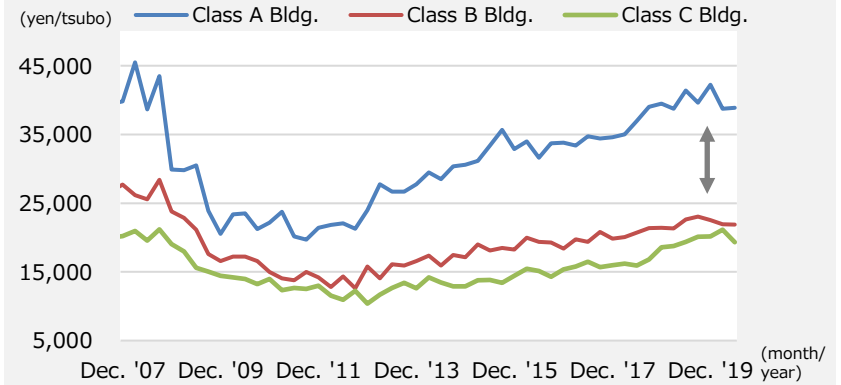
## Sponsors Support

no.	Summary of sponsors support
1	Personnel support through dispatching personnel to TRIM and other measures
2	Provision of know-how on real estate management in general, including tenant leasing and technical support
3	Supply of properties and provision on information on property acquisition
4	Fund procurement support including funding through debt finance

## Changes in New Supply/Demand Area, Leasable Floor Area and Vacancy Rate (Tokyo CBDs)

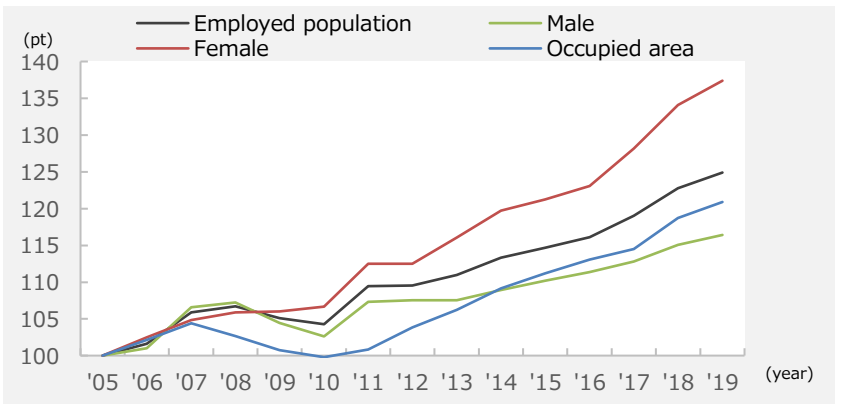


## Changes in the average rent of the 23 wards of Tokyo



1. Prepared by TRIM based on the statistics data published by Sanko Estate Co., Ltd. and NLI Research Institute.
2. Please refer to glossary for definition of building classes.

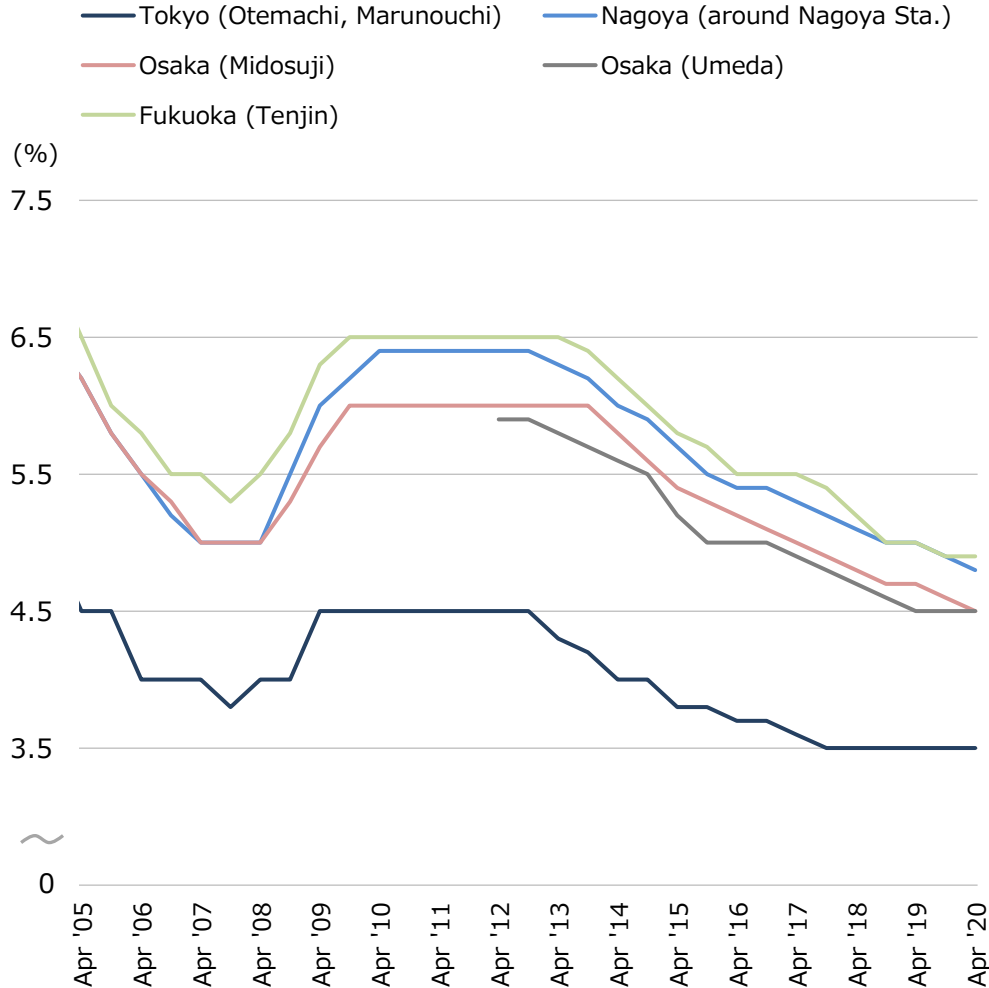
## Comparison of employed population and occupied area ('05=100pt)



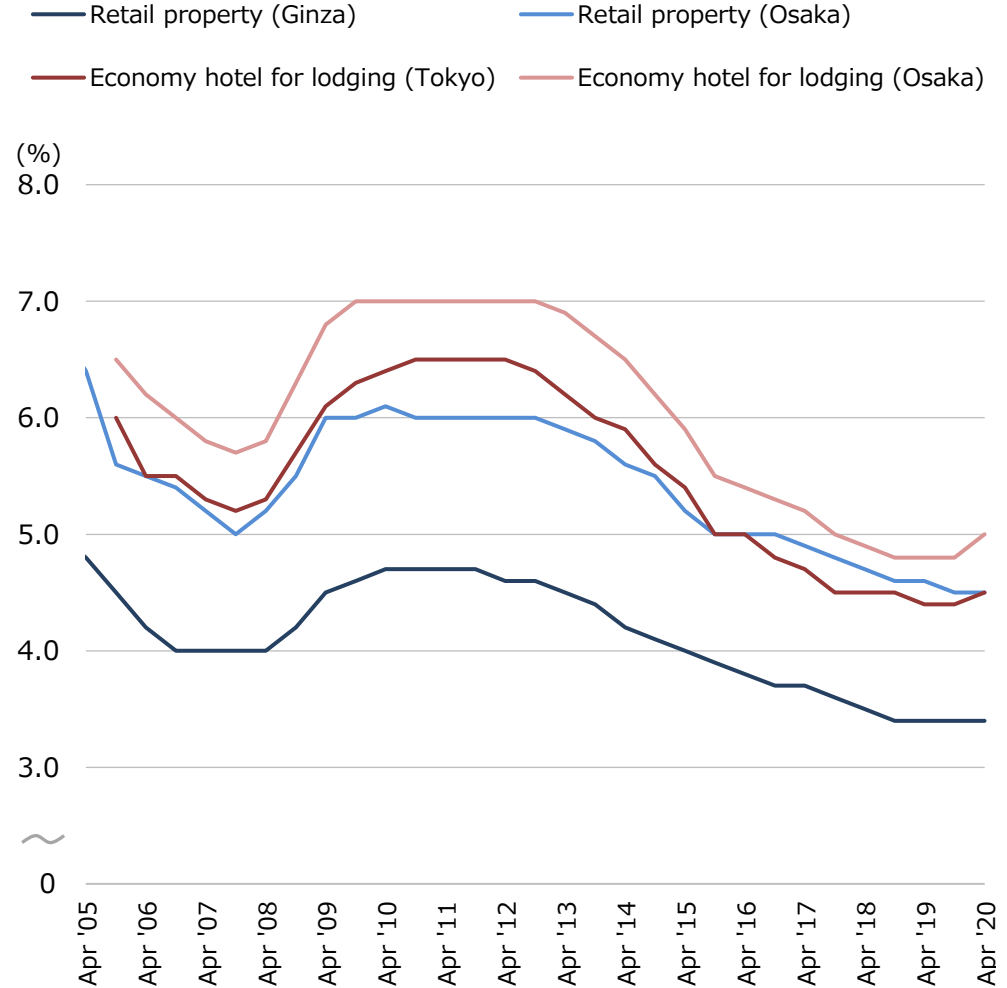
1. The employed population was prepared by TRIM based on the Labor Force Survey, the Ministry of Internal Affairs and Communications.

1. Actual results of the vacancy rate, leasable floor area and occupied area through December 2019 are based on the Office Report (Tokyo CBDs) by Miki Shoji Co., Ltd. New supply, new demand and loss areas as well as the leasable floor area and vacancy rate in 2020 and thereafter have been estimated based on surveys and simulations conducted by market research agency and TRIM. As an assumption for the simulation, the new supply area uses an estimate obtained by applying a certain multiplying factor to the average of the past results. The lost area is based on the average of the past results as assumption.

Expected Cap Rate of Office (major cities)

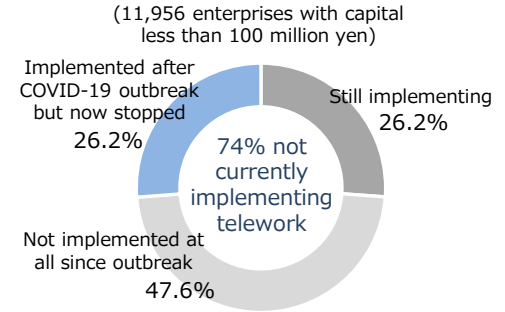
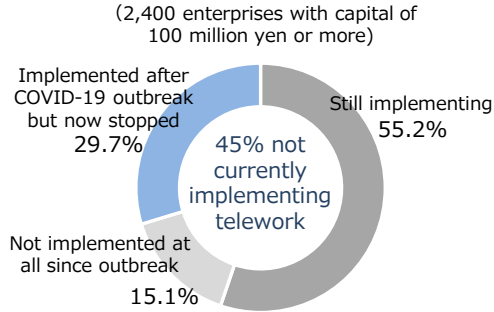
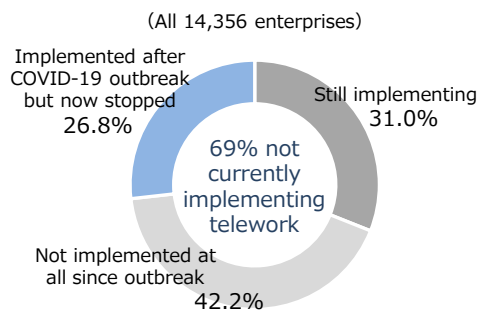


Expected Cap Rate of Retail Properties and Economy Hotel for Lodging

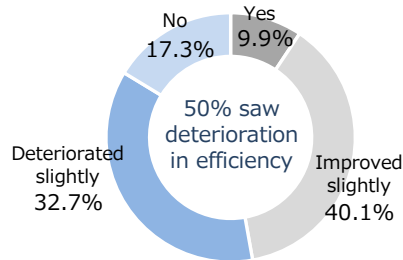


1. Prepared by TRIM based on the Japanese real estate investor survey publicized Japan Real Estate Institute.

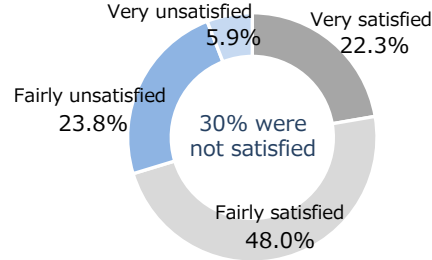
## ■ Did you implement working from home/teleworking to prevent the spread of COVID-19?<sup>\*1</sup>



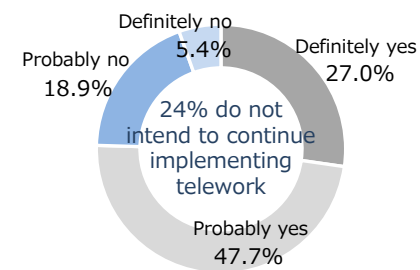
## ■ Did efficiency improve when employees worked from home?<sup>\*2</sup>



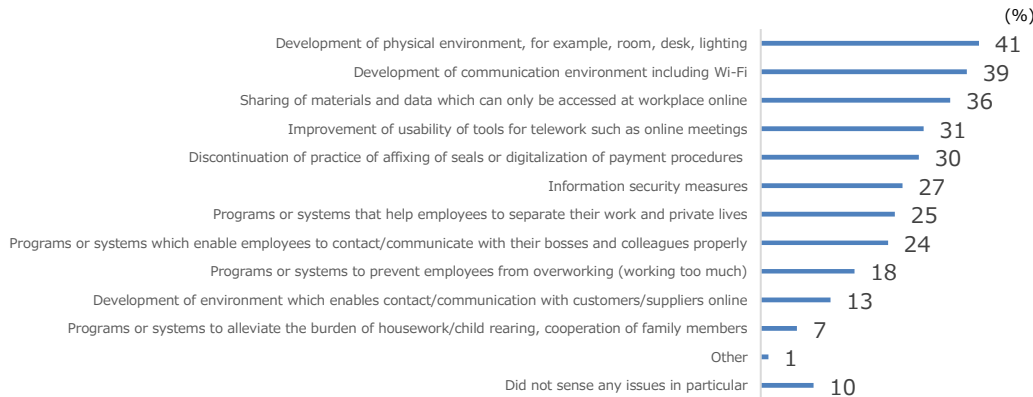
## ■ Were you satisfied when employees worked from home?<sup>\*2</sup>



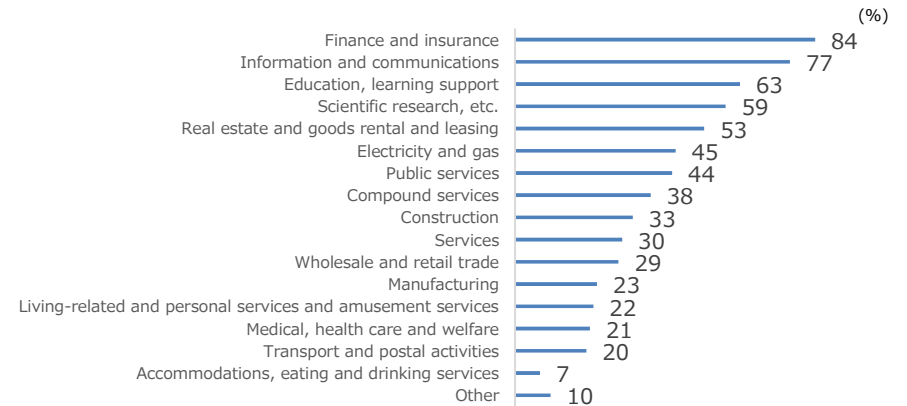
## ■ Do you intend to continue implementing telework after the COVID-19 crisis comes to an end?<sup>\*2</sup>



## ■ Issues with telework<sup>\*2</sup>



## ■ Ratio of employees who can work from home by industry<sup>\*3</sup>



1 Prepared by TRIM based on "6th COVID-19 Survey" published by Tokyo Shoko Research, Ltd. on July 14, 2020.

2. Prepared by TRIM based on "Second Workers Awareness Survey" published by Japan Productivity Center on July 21, 2020.

3. Prepared by TRIM based on report titled "The potential for home-based work in Japan" published by Mizuho Research Institute, Ltd. on May 22, 2020.



## ■ Overview of JPR

## ■ Characteristics of JPR

(as of the end of June 2020)

Name	Japan Prime Realty Investment Corporation (abbreviated as JPR)
Securities code	8955
Listing date	June 14, 2002 (18 years since listing)
End of fiscal period	June and December
Operational standard of portfolio (Target investment ratio)	(Ratio by asset class) Office 70~90% / Urban Retail etc. 10~30% (Ratio by area) Tokyo 80~90% / Other cities 10~20%
Asset Manager	Tokyo Realty Investment Management Inc. (abbreviated as TRIM)
Sponsors (shareholding ratio)	Tokyo Tatemono (75%) Yasuda Real Estate (10%) Taisei Corporation (10%) Meiji Yasuda Life Insurance (5%)

### 1 A track record of stable management for over 18 years

Since listing, JPR has steadily expanded its asset size while enhancing the quality of its portfolio.

### 2 A portfolio focused on office properties in Tokyo

JPR has established a portfolio that is focused on office properties in Tokyo, which feature growth potential, with urban retail properties and office properties in regional cities to complement profitability.

### 3 Superiority of a developer-sponsored REIT

JPR has exerted its superiority of a developer-sponsored REIT to acquire properties having excellent location characteristics centering on large-scale development projects.

### 4 Continuous internal growth through high occupancy rate and upward revision of rents

The average occupancy rate of the entire portfolio has stayed at 97% or higher since the 26th fiscal period ended December 2014, and upward revision of rents continued to surpass downward revision by value for 12 straight fiscal periods.

### 5 Establishment of a financial base that is stable over the long term

With a credit rating of AA- (Stable), JPR has established a financial base centering on long-term, fixed-interest rate debts with a focus on stability.

Asset size  
(After the asset replacement)  
**65 properties 457.1 bn. yen**

Ratio by asset  
(After the asset replacement)  
(Area) Tokyo **84.5 %**  
(Asset class) Office **77.1 %**

(planned) acquisition price and ratio of properties from sponsor pipelines  
(After the asset replacement)  
**335.3 bn. yen · 73.4 %**

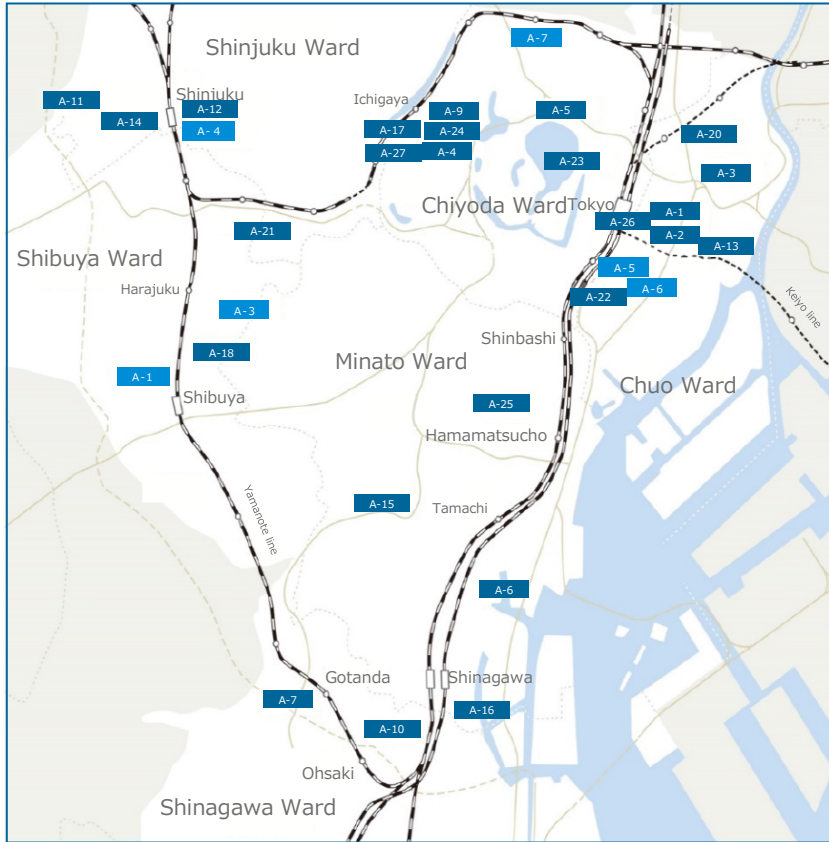
Upward revision of rents  
**12 consecutive fiscal periods**  
(Dec. '14 ~ Jun. '20)

LTV  
**39.5 %**  
Ratio of long-term, fixed interest rate debts  
**100.0 %**  
Credit rating  
R&I **AA-** (stable)  
S&P **A** (stable)

1. Properties from sponsor pipelines refer to properties acquired from sponsors, etc. and properties acquired based on information provided by sponsors. Sponsors, etc. represent the four sponsor companies of JPR, their affiliated companies and special purpose companies (SPCs) in which the sponsors have made equity investment. Ratio of properties from sponsor pipelines refers to the ratio of (planned) acquisition price of properties from sponsor pipelines over the total (planned) acquisition price of the entire portfolio.

## Central Tokyo

Chiyoda, Chuo, Minato, Shinjuku, Shinagawa and Shibuya Wards



A-1	Kanematsu Bldg.	A-13	Across Shinkawa Bldg. Annex	A-24	Science Plaza - Yonbancho Plaza
A-2	Kanematsu Bldg. Annex	A-14	Shinjuku Center Bldg.	A-25	Shibadaiimon Center Bldg.
A-3	JPR Ningyo-cho Bldg.	A-15	Minami Azabu Bldg.	A-26	Tokyo Square Garden
A-4	Shin-Kojimachi Bldg.	A-16	Shinagawa Canal Bldg.	A-27	JPR Kojimachi Bldg.
A-5	JPR Crest Takebashi Bldg.	A-17	Rokubancho Bldg.	A-1	JPR Shibuya Tower Records Bldg.
A-6	MS Shibaura Bldg.	A-18	JPR Harajuku Bldg.	A-3	JPR Jingumae 432
A-7	Gotanda First Bldg.	A-20	JPR Nihonbashi-horidome Bldg.	A-4	Shinjuku Sanchome East Bldg.
A-9	JPR Ichigaya Bldg.	A-21	JPR Sendagaya Bldg.	A-5	Yurakucho Ekimae Bldg. (Yurakucho Itocia)
A-10	Oval Court Ohsaki Mark West	A-22	GINZA Sanwa Bldg.	A-6	JPR Ginza Namiki-dori Bldg.
A-11	Shinjuku Square Tower	A-23	The Otemachi Tower (Land with Leasehold Interest)	A-7	FUNDES Suidobashi
A-12	BYGS Shinjuku Bldg.				

## Greater Tokyo

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



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	Tokyo Tatemono Yokohama Bldg.
B-13	Omiya Prime East
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
Acquire in 37th	
B-14	Sencity Bldg.

## Other Cities

C-4	Tokyo Tatemono Honmachi Bldg.	C-12	Sompo Japan Sendai Bldg.
C-17	JPR Dojima Bldg.	C-1	Niigata Ekinan Center Bldg.
C-21	JPR Shinsaibashi Bldg.	C-19	JPR Nagoya Fushimi Bldg.
C-1	JPR Umeda Loft Bldg.		
C-5	JPR Chayamachi Bldg.		
Acquire in 37th			
C-22	Minami Semba Bldg.		
C-7	JPR Hakata Bldg.		
C-14	Tenjin 121 Bldg.		
C-20	Yakuin Business Garden		
C-4	Housing Design Center Kobe	C-13	Sompo Japan Wakayama Bldg.
		C-9	JPR Naha Bldg.

	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.
The exterior of a building					
Acquisition Price (million yen)	16,276	2,874	2,100	2,420	4,000
Total Floor Space*	14,995㎡	4,351㎡	4,117㎡	5,152㎡	4,790㎡
Period-end occupancy rate	100.0%	100.0%	100.0%	100.0%	100.0%
Address	Kyobashi, Chuo-ku	Kyobashi, Chuo-ku	Nihonbashiningyocho, Chuo-ku	Kojimachi, Chiyoda-ku	Kandanishikicho, Chiyoda-ku
Acquisition Date	2001.12	2001.12	2001.11	'01.11/'02.11/'04.11	2002.6
Completed	1993.2	1993.2	1989.12	1984.10	1999.9
	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
The exterior of a building					
Acquisition Price (million yen)	11,200	2,920	5,100	3,500	14,966
Total Floor Space*	31,020㎡	10,553㎡	5,888㎡	28,575㎡	78,796㎡ (entire redevelopment area)
Period-end occupancy rate	100.0%	100.0%	100.0%	100.0%	100.0%
Address	Shibaura, Minato-ku	Nishigotanda, Shinagawa-ku	Kudanminami, Chiyoda-ku	Higashigotanda, Shinagawa-ku	Nishishinjuku, Shinjuku-ku
Acquisition Date	2003.3	2003.7	2004.5	2004.6	'04.7/'08.9/'15.3/'15.10
Completed	1988.2	1989.7	1989.3	2001.6	1994.10



\*The "Total Floor Space" indicates the area of the entire building (including the interests owned by other sectional owners or co-owners) based on the registry.

	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.
The exterior of a building					
Acquisition Price (million yen)	15,121	710	21,000	3,760	2,041
Total Floor Space*	25,733㎡	5,535㎡	176,607㎡	4,570㎡	5,216㎡
Period-end occupancy rate	99.6%	100.0%	98.0%	100.0%	100.0%
Address	Shinjuku, Shinjuku-ku	Shinkawa, Chuo-ku	Nishishinjuku, Shinjuku-ku	Minamiazabu, Minato-ku	Konan, Minato-ku
Acquisition Date	'04.11/'05.4/'10.7	2004.11	2008.3	2008.7	'08.12/'19.3
Completed	1985.4	1994.6	1979.10	1992.6	2008.7
	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.
The exterior of a building					
Acquisition Price (million yen)	2,800	8,400	5,100	15,050	3,400
Total Floor Space*	4,205㎡	6,466㎡	7,190㎡	7,683㎡	8,851㎡
Period-end occupancy rate	100.0%	100.0%	100.0%	100.0%	100.0%
Address	Rokubancho, Chiyoda-ku	Jingumae, Shibuya-ku	Nihonbashihoridomecho, Chuo-ku	Sendagaya, Shibuya-ku	Ginza, Chuo-ku
Acquisition Date	2009.12	2009.12	2010.3	2010.5	2011.8
Completed	1991.10	1989.3	2002.6	2009.5	1982.10

\* The "Total Floor Space" indicates the area of the entire building (including the interests owned by other sectional owners or co-owners) based on the registry.

	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.
The exterior of a building					
Acquisition Price (million yen)	36,000	2,660	4,220	18,400	5,750
Total Floor Space*	11,034㎡ (ground area)	24,560㎡	11,419㎡	112,645㎡	4,438㎡
Period-end occupancy rate	100.0%	100.0%	100.0%	99.3%	100.0%
Address	Otemachi, Chiyoda-ku	Yonbancho, Chiyoda-ku	Shibadaimon, Minato-ku	Kyobashi, Chuo-ku	Kojimachi, Chiyoda-ku
Acquisition Date	2012.3	2013.12	'13.12/'14.7	'17.2/'17.4	2019.6
Completed	2014.4 (reference)	1995.2	1993.7	2013.2	1999.2
	A-1 JPR Shibuya Tower Records Bldg.	A-3 JPR Jingumae 432	A-4 Shinjuku Sanchoe East Bldg.	A-5 Yurakucho Ekimae Building (Yurakucho Itocia)	
The exterior of a building					
Acquisition Price (million yen)	12,000	4,275	2,740	3,400	
Total Floor Space*	8,449㎡	1,066㎡	24,617㎡	71,957㎡	
Period-end occupancy rate	100.0%	100.0%	100.0%	100.0%	
Address	Jinnan, Shibuya-ku	Jingumae, Shibuya-ku	Shinjuku, Shinjuku-ku	Yurakucho, Chiyoda-ku	
Acquisition Date	2003.6	2006.3	'07.3/'08.4	2008.8	
Completed	1992.2	2006.2	2007.1	2007.10	

\* The "Total Floor Space" indicates the area of the entire building (including the interests owned by other sectional owners or co-owners) based on the registry.

	A-6 JPR Ginza Namiki-dori Bldg.	A-7 FUNDES Suidoubashi
The exterior of a building		
Acquisition Price (million yen)	10,100	3,250
Total Floor Space*	1,821㎡	1,477㎡
Period-end occupancy rate	100.0%	100.0%
Address	Ginza, Chuo-ku	Kandamisakicho, Chiyoda-ku
Acquisition Date	2016.12	2016.12
Completed	2008.6	2015.7






	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.
The exterior of a building					
Acquisition Price (million yen)	5,880	2,350	2,927	1,490	8,100
Total Floor Space*	34,281㎡	9,072㎡	9,146㎡	7,781㎡	28,420㎡
Period-end occupancy rate	100.0%	97.6%	100.0%	100.0%	100.0%
Address	Kinshi, Sumida-ku	Chiba, Chiba	Yokohama, Kanagawa	Yokohama, Kanagawa	Kawaguchi, Saitama
Acquisition Date	2001.11	2001.12	2001.11	'02.9/'13.3	2004.2
Completed	1997.3	1991.1	1989.10	1991.8	1994.2

\* The "Total Floor Space" indicates the area of the entire building (including the interests owned by other sectional owners or co-owners) based on the registry.

	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
The exterior of a building					
Acquisition Price (million yen)	3,250	3,188	5,831	6,510	31,300
Total Floor Space*	8,490㎡	14,706㎡	91,280㎡	185,974㎡	257,842㎡
Period-end occupancy rate	100.0%	100.0%	100.0%	99.1%	100.0%
Address	Matsugaya, Taito-ku	Tachikawa, Tokyo	Higashiikebukuro, Toshima-ku	Yokohama, Kanagawa	Taihei, Sumida-ku
Acquisition Date	2004.3	'05.9/'07.2	2007.3	2007.7	2009.6
Completed	1992.10	1994.12	2007.1	1997.3	2006.2

	B-12 Tokyo Tatemono Yokohama Bldg.	B-13 Omiya Prime East	B-14 Sencity Bldg.
The exterior of a building			
Acquisition Price (million yen)	7,000	6,090	13,870
Total Floor Space*	8,772㎡	9,203㎡	158,663㎡
Period-end occupancy rate	100.0%	100.0%	99.7%
Address	Yokohama, Kanagawa	Saitama, Saitama	Chiba, Chiba
Acquisition Date	2010.12	2013.3	2020.3
Completed	1981.5	2009.2	1993.4






\* The "Total Floor Space" indicates the area of the entire building (including the interests owned by other sectional owners or co-owners) based on the registry.


	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.
The exterior of a building					
Acquisition Price (million yen)	10,200	2,100	7,254	4,335	15,080
Total Floor Space*	80,675㎡	48,321㎡	18,394㎡	28,930㎡	36,902㎡
Period-end occupancy rate	100.0%	100.0%	100.0%	100.0%	100.0%
Address	Nishitokyo, Tokyo	Kawaguchi, Saitama	Kawasaki, Kanagawa	Saitama, Saitama	Kawasaki, Kanagawa
Acquisition Date	2001.11	2006.3	2006.9	2007.3	2007.4
Completed	1995.2	2006.1	1983.3	2005.10	2003.8

	B-7 FUNDES Ueno
The exterior of a building	
Acquisition Price (million yen)	3,800
Total Floor Space*	2,235㎡
Period-end occupancy rate	100.0%
Address	Ueno, Taito-ku
Acquisition Date	2019.6
Completed	2017.7



\* The "Total Floor Space" indicates the area of the entire building (including the interests owned by other sectional owners or co-owners) based on the registry.



	C-1 Niigata Ekinan Center Bldg.	C-4 Tokyo Tatemono Honmachi Bldg.	C-7 JPR Hakata Bldg.	C-9 JPR Naha Bldg.	C-12 Sompo Japan Sendai Bldg.
The exterior of a building					
Acquisition Price (million yen)	2,140	4,150	2,900	1,560	3,150
Total Floor Space*	19,950㎡	14,619㎡	9,828㎡	5,780㎡	10,783㎡
Period-end occupancy rate	100.0%	94.3%	97.9%	97.9%	99.7%
Address	Niigata, Niigata	Osaka, Osaka	Fukuoka, Fukuoka	Naha, Okinawa	Sendai, Miyagi
Acquisition Date	2001.11	2001.11	2001.11	2001.11	2002.6
Completed	1996.3	1970.2	1985.6	1991.10	1997.12

	C-13 Sompo Japan Wakayama Bldg.	C-14 Tenjin 121 Bldg.	C-17 JPR Dojima Bldg.	C-19 JPR Nagoya Fushimi Bldg.	C-20 Yakuin Business Garden
The exterior of a building					
Acquisition Price (million yen)	1,670	2,810	2,140	4,137	10,996
Total Floor Space*	6,715㎡	8,690㎡	5,696㎡	10,201㎡	22,286㎡
Period-end occupancy rate	98.3%	100.0%	92.1%	99.5%	99.9%
Address	Wakayama, Wakayama	Fukuoka, Fukuoka	Osaka, Osaka	Nagoya, Aichi	Fukuoka, Fukuoka
Acquisition Date	2002.6	2002.6	2004.1	2005.3	2012.8
Completed	1996.7	2000.7	1993.10	1991.3	2009.1

\*The "Total Floor Space" indicates the area of the entire building (including the interests owned by other sectional owners or co-owners) based on the registry.

	C-21 JPR Shinsaibashi Bldg.	C-22 Minami Semba Bldg.	C-1 JPR Umeda Loft Bldg.	C-4 Housing Design Center Kobe	C-5 JPR Chayamachi Bldg.
The exterior of a building					
Acquisition Price (million yen)	5,430	3,750	13,000	7,220	6,000
Total Floor Space*	5,303㎡	7,738㎡	17,897㎡	33,877㎡	3,219㎡
Period-end occupancy rate	100.0%	99.9%	100.0%	100.0%	100.0%
Address	Osaka, Osaka	Osaka, Osaka	Osaka, Osaka	Kobe, Hyogo	Osaka, Osaka
Acquisition Date	2005.5	2020.1	'03.5/'03.7	2005.9	2006.8
Completed	2003.2	1986.9	1990.4	1994.6	1994.6

\*The "Total Floor Space" indicates the area of the entire building (including the interests owned by other sectional owners or co-owners) based on the registry.

### Having expanded IR information by adding a variety of contents, JPR provides information in a timely manner

#### Property Information

- [Occupancy Rate] Occupancy Rate: data for each property (Excel) updated monthly
- [Property Data Library] Property Data Book, Property Appraisal Summary, Historical Data
- [Portfolio data] Asset class, Area, Ratio of Properties by Property Acquisition Channel, Ratio of Tenant Occupancy
- [Video Presentation of Major Properties]

Property	Location	Acquisition price (JPY million)	Investment Ratio (%)	Appraisal value (JPY million)	Building Age (Years)	Total Locable Space (sq'f)	NOI Yield (%)
A-1 Kanemitsu Bldg.	Kanemitsu Bldg.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
A-2 Kanemitsu Bldg. Annex	Kanemitsu Bldg. Annex	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
A-3 JPR Ningyo-cho Bldg.	JPR Ningyo-cho Bldg.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
A-4 Shin-Kojimachi Bldg.	Shin-Kojimachi Bldg.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
A-5 JPR Crest Takekawa Bldg.	JPR Crest Takekawa Bldg.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	HSI Shikura Bldg.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	Gotanda First Bldg.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	JPR Sengawa Bldg.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	Over Court Choshi Mark West	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
	Shinjuku Square Tower	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

#### Overview of Property Access Map

- [Property Overview] Basic Information, Management Status, Major Characteristics
- [Access Map] Search function for routes from the nearest stations (applicable for mobile phones)
- Other than these, latest topics regarding management status are posted at any time

#### Information of initiatives on sustainability

- Sustainability policy & management
- Initiatives on behalf of tenants
- Initiatives on behalf of the environment
- Local community initiatives
- Safety and security initiatives
- Initiatives aimed at employees
- Initiatives aimed at unitholders/investors
- International Initiatives
- Green Finance

Extensive ESG related information Regularly announce updated data

# Glossary



Term	Meaning
<b>Acquisition price</b>	The sales price (not including acquisition costs, fixed property taxes and consumption taxes) stated in the sales agreement concerning acquisition of a property owned by JPR (hereinafter referred to as the "owned properties") or a property to be acquired by JPR.
<b>Asset size</b>	The total acquisition prices of the owned properties.
<b>Investment ratio</b>	The investment ratio refers to the ratio of the acquisition price of relevant properties owned by JPR to the total acquisition price of its portfolio.
<b>Occupancy rate</b>	Total leased space / total leasable space
<b>Average unit rent</b>	Total monthly rent / total leased space Calculated based on the monthly rents (including common charges) indicated in the lease contracts with tenants; for certain properties, the figure includes common charges, etc. received by master lessees without being recorded as JPR's revenue
<b>Average rent-free period</b>	The average of the rent-free periods agreed upon in new lease contracts becoming effective in each fiscal period.
<b>Revised amount of monthly rent</b>	Revised amount of monthly rent indicates the sum total (including common charges) of monthly rent after revision minus monthly rent before revision upon contract renewal with rent revision in each fiscal period. For the revised amount of monthly rent for the 36th fiscal period (Jun. '20), the amount of increase is an estimate based on consents regarding rents becoming effective in the fiscal period, and the amount of decrease is an estimate assumed for the rents becoming effective in the fiscal period.
<b>Change amount in monthly rent upon tenant replacement</b>	Change amount in monthly rent upon tenant replacement indicates the sum total (including common charges) of monthly rent after tenant replacement minus monthly rent before tenant replacement in each fiscal period. The change amount of monthly rent upon tenant replacement for the 36th fiscal period (Jun. '20) is an estimate based on consents regarding move-ins/move-outs and rents becoming effective in the fiscal period.
<b>Target rent</b>	Target rent refers to the rent level (the highest limit) TRIM sets for each fiscal period as the target for inviting new tenants and revising rents for existing tenants, and are set at roughly the same level as the highest limit of market rent.
<b>Base rent</b>	Base rent refers to the rent level (the lowest limit) TRIM sets for each fiscal period as the base for inviting new tenants and revising rents for existing tenants, and are set at roughly the same level as market rent.
<b>Rent gap</b>	The rent gap for a month refers to, in lease contracts due for renewal during the four periods from the period ending in June 2020, the ratio obtained by subtracting the total difference between the lower limit of rent in the market range and the existing rent that is lower than the lower limit of rent in the market range from the total difference between the upper limit of rent in the market range and the existing rent (excluding new contracts, etc.) that exceeds the upper limit of rent in the market range and dividing that monthly difference by the monthly rent for the month in question.
<b>Definition of building classes</b>	The definitions of building classes used in "Changes in the average rent of the 23 wards of Tokyo on page 45 are as follows. Target area: Major business districts in 5 central wards of Tokyo and areas with high percentage of office buildings in surrounding wards (Gotanda/ Osaki, Kita-shinagawa/ Higashi-shinagawa, Yushima/ Hongo/ Koraku, Meguro-ku) Class A: Total floor area of 10,000 tsubo or more, floor size of 300 tsubo or more, age less than 15 years Class B: Floor size of 200 tsubo or more, not applicable of A class building (including of building except for A class of age more over 15 years) Class C: Floor size of 100 tsubo or more but less than 200 tsubo

Term	Meaning
<b>NOI yield</b>	$(\text{Rental revenue} - \text{real estate} - \text{expenses related to rent business} + \text{depreciation}) / \text{book value}$ (or acquisition price, depending on the case) NOI yield is calculated using the above formula, by dividing the book value (or acquisition price) in the formula by 365 days and multiplying it by the number of business days of the relevant fiscal period.
<b>After-depreciation yield</b>	$(\text{Rental revenue} - \text{real estate} - \text{expenses related to rent business}) / \text{book value}$ (or acquisition price, depending on the case)
<b>Number of tenants</b>	The number of tenants counts the parties with whom JPR has concluded lease contracts for the building floors. 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.
<b>Ratio of long-term, fixed interest rate debts</b>	Long-term interest-bearing debts with fixed interests / total interest-bearing debts
<b>Average maturity</b>	Weighted average calculated by dividing the remaining periods to the repayment dates and redemption dates of borrowings and investment corporation bonds at the end of each fiscal period by the balance of respective borrowings and investment corporation bonds at the end of each fiscal period For borrowings with scheduled repayment in installments, the weighted average of the remaining period to the scheduled repayment dates of each installment payment in accordance with the relevant repayment amount
<b>Average debt cost</b>	(Sum total of interest expenses, interest expenses for investment corporation bonds, borrowing-related expenses (excluding expenses related to early repayment of debts and expenses related to the commitment line agreement), amortization of investment corporation bond issuance costs and investment corporation bond administration expenses incurred in each fiscal period), divided by the business days of the relevant fiscal period or the said period, and annualized by multiplying by 365 days / average balance of debts and investment corporation bonds for each fiscal period or for the said period
<b>LTV</b>	Interest-bearing debts / total assets at end of period (based on total assets) There are other methods for calculating LTV. $\text{LTV (based on valuation)} = \text{Interest-bearing debt} / (\text{total assets at end of period} + \text{unrealized gains or losses from valuation})$ Unrealized gains or losses from valuation refer to the difference between appraisal value and book value.
<b>Ratio of unrealized gains or losses</b>	$(\text{Appraisal value} - \text{book value}) / \text{book value}$
<b>Cap rate</b>	Capitalization rate by the direct capitalization method Direct capitalization method is one of the methods to calculate the value estimated by income approach (a method to estimate the value of the target property by calculating the sum total of present value of the net operating income which the target property is expected to generate in the future), and capitalizes the net operating income of a certain period by using the capitalization rate.
<b>Tokyo/ Other cities</b>	"Tokyo" defined by JPR as its investment area collectively refers to "Central Tokyo" and "Greater Tokyo" as defined below, and "Other Cities" refers to other regions. ·Central Tokyo: Chiyoda, Chuo, Minato, Shinjuku, Shinagawa and Shibuya Wards ·Greater Tokyo: All other areas of Tokyo Prefecture, and Chiba, Kanagawa and Saitama Prefectures

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- The photos used in this material include those of the assets other than what JPR owns or plans to acquire. Please note that for assets indicated as land with leasehold interest, JPR owns only the land and does not own any building on it.
- Unless otherwise noted, the figures indicated in this material are rounded down to the nearest specified unit for monetary amounts and space areas, and rounded off to the nearest specified unit for percentages and other figures. Accordingly, the sum totals of monetary amounts or percentages of respective items may not match the sum totals of actual figures.