

Japan Prime Realty Investment Corporation Company Presentation



Japan Prime Realty Investment Corporation
(Securities Code: 8955 TSE)
URL: http://www.jpr-reit.co.jp/jpr_e/

14th

Mar. 2009



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<http://www.jpr-reit.co.jp/>



14th

Japan Prime Realty Investment Corporation

14th Fiscal Period (Ended December 2008):
Financial Summary



Highlights of Financial Results for the 14th Fiscal Period

A cash distribution of 7,000 yen per unit was maintained despite a slight decrease in profit compared to the previous fiscal period.

■ Highlights of Financial Results for the 14th Fiscal Period

(JPY mn unless otherwise stated)	14th Period (a)	13th Period (b)	Change (a) - (b)
	Jul. 1, 2008 - Dec. 31, 2008	Jan. 1, 2008 - Jun. 30, 2008	
Operating Revenues	11,171	10,830	340 (Change +3.1%)
Operating Profits	5,482	5,280	201 (Change +3.8%)
Recurring Profits	4,433	4,452	-18 (Change -0.4%)
Net Income	4,432	4,451	-18 (Change -0.4%)
Total Assets	309,253	303,459	5,793 (Change +1.9%)
Total Unitholders' Equity	161,158	161,177	-18 (Change -0.0%)
Total Unitholders' Equity Per Unit (JPY)	257,853	257,883	-30 (Change -0.0%)
NAV Ratio	52.1%	53.1%	-1.0%
Distributions Per Unit (JPY)	7,092	7,122	-30 (Change -0.4%)
Total Units Outstanding (Units)	625,000	625,000	— (Change —)

■ Comparison with Forecasts

(JPY mn unless otherwise stated)	Forecasts for the 14th Fiscal Period (c) ⁽³⁾	Change from 14th Fiscal Period Forecasts (a) - (c)	(Reference)
			As of Dec. 19, 2008 Revised Forecasts
Operating Revenues	11,195	-23 (Change -0.2%)	11,154
Operating Profits	5,474	8 (Change +0.2%)	5,458
Recurring Profits	4,376	57 (Change +1.3%)	4,376
Net Income	4,375	57 (Change +1.3%)	4,375
Distributions Per Unit (JPY)	7,000	92 (Change +1.3%)	7,000
Total Units Outstanding (Units)	625,000	— (Change —)	625,000

■ Highlights of Properties

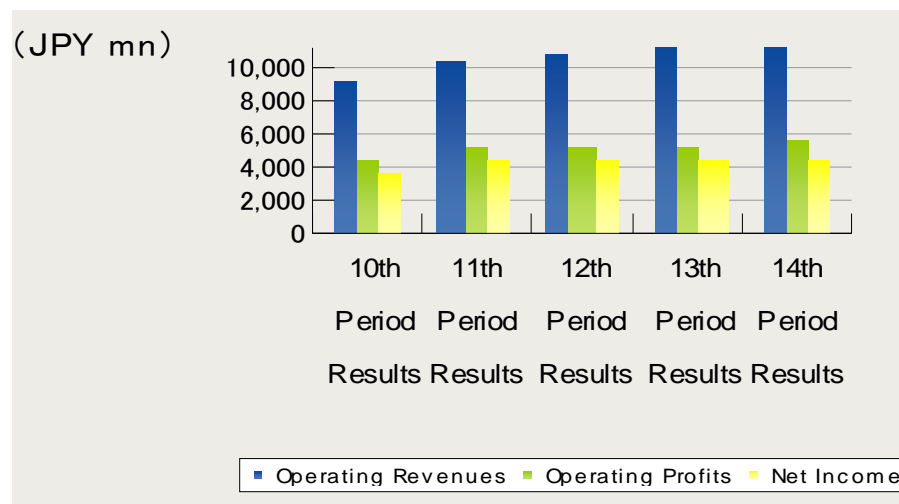
(JPY mn unless otherwise stated)	14th Period	13th Period
	Jul. 1, 2008 - Dec. 31, 2008	Jan. 1, 2008 - Jun. 30, 2008
Properties Owned at End of Fiscal Period	52	50
Total Acquisition Price (at period end)	280,619	275,109
(number/price of properties acquired for the 14th fiscal period) ⁽¹⁾	4 / 9,210	2 / 23,200
(number/price of properties sold for the 14th fiscal period) ⁽¹⁾	1 / 3,700	- / -
Average Monthly Occupancy during Period	97.0%	98.0%

- (1) The number of properties acquired during the 14th fiscal period includes the additional acquisition of proprietary interest in properties already owned. Furthermore, the total acquisition price is shown (excluding acquisition expenses, etc.), and preferred securities are excluded.
- (2) Change (%) is rounded to the first decimal place.
- (3) Forecasts at the time the 13th Fiscal Period results were announced.

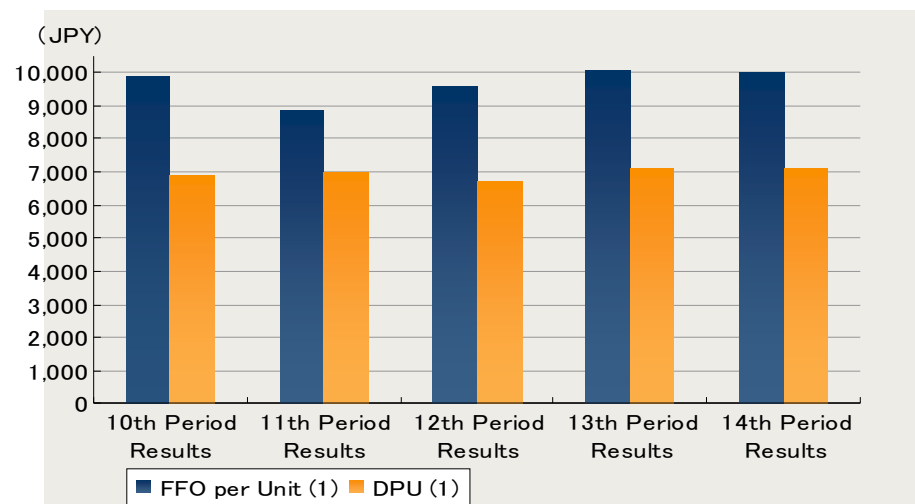


Performance over the Past Five Fiscal Periods

Operating Revenues, Operating Profits and Net Income



Changes in Distributions per Unit (DPU) and FFO per Unit



	(JPY mn)					(JPY)					
	10th Period Results	11th Period Results	12th Period Results	13th Period Results	14th Period Results	10th Period Results	11th Period Results	12th Period Results	13th Period Results	14th Period Results	
Operating Revenues	9,088	10,056	10,449	10,830	11,171	FFO per Unit ⁽¹⁾	9,853	8,839	9,566	10,033	9,979
Operating Profits	4,373	5,108	5,006	5,280	5,482	DPU ⁽¹⁾	6,873	6,996	6,671	7,122	7,092
Net Income	3,642	4,372	4,169	4,451	4,432	Total Units Outstanding (Units)	530,000	625,000	625,000	625,000	625,000

(1) DPU and FFO per unit are calculated by dividing by the total units outstanding as of the end of each fiscal period.



Income Statement for the 14th Fiscal Period

While operating revenues slightly increased as a result of the whole-period contribution from properties acquired during the previous fiscal period, etc., final profits slightly decreased due to the increase of interest expenses.

Item	14th Fiscal Period Jul. 1, 2008 - Dec. 31, 2008		13th Fiscal Period Jan. 1, 2008 - Jun. 30, 2008		Change	
	Amount	%	Amount	%	Amount	%
	(JPY mn)					
Rental revenues	10,365	92.8%	10,002	92.3%	363	3.6%
Other rental revenues	805	7.2%	828	7.7%	-23	-2.8%
Real estate rental revenues (1)	11,171	100.0%	10,830	100.0%	340	3.1%
Gain on sale of real estate	—	—	—	—	—	—
Dividends income	—	—	—	—	—	—
Operating revenues	11,171	100.0%	10,830	100.0%	340	3.1%
Property and other taxes	849	7.6%	859	7.9%	-9	-1.2%
Other rental expenses	2,373	21.2%	2,231	20.6%	141	6.3%
Outsourcing expenses	533	4.8%	498	4.6%	35	7.2%
Utilities expenses	802	7.2%	662	6.1%	140	21.1%
Casualty insurance	33	0.3%	33	0.3%	-0	-0.3%
Repairs and maintenance	240	2.2%	265	2.4%	-24	-9.3%
Property management fees	226	2.0%	219	2.0%	6	3.1%
Management association accounts	455	4.1%	457	4.2%	-2	-0.5%
Others	80	0.7%	95	0.9%	-14	-15.1%
Depreciation	1,799	16.1%	1,818	16.8%	-19	-1.1%
Real estate rental expenses (2)	5,022	45.0%	4,909	45.3%	112	2.3%
Loss on sale of real estate	4	0.0%	—	—	4	—
Asset management fees	416	3.7%	416	3.8%	0	0.0%
Adm. Service/custodian fees	65	0.6%	66	0.6%	-0	-0.6%
Director's remuneration	6	0.1%	6	0.1%	—	—
Trust fees	56	0.5%	55	0.5%	1	2.1%
Other operating expenses	116	1.0%	95	0.9%	21	22.3%
Operating expenses	5,689	50.9%	5,550	51.2%	138	2.5%
Operating profits	5,482	49.1%	5,280	48.8%	201	3.8%
Profits ((1)-(2))	6,149	55.0%	5,921	54.7%	228	3.9%
Net operating income (NOI)	7,948	71.2%	7,739	71.5%	209	2.7%
Non-operating revenues	35	0.3%	99	0.9%	-64	-64.3%
Non-operating expenses	1,084	9.7%	928	8.6%	156	16.9%
Interest expenses (inc. corporate bonds)	1,048	9.4%	897	8.3%	150	16.8%
Loan arrangement fees	19	0.2%	16	0.1%	3	19.9%
Amortization of corporate bond issuance costs	12	0.1%	9	0.1%	3	34.0%
New unit-issuance costs	—	—	—	—	—	—
Other non-operating expenses	4	0.0%	4	0.0%	-0	-10.0%
Recurring profits	4,433	39.7%	4,452	41.1%	-18	-0.4%
Income before income taxes	4,433	39.7%	4,452	41.1%	-18	-0.4%
Net income	4,432	39.7%	4,451	41.1%	-18	-0.4%
Retained earnings at the end of period	4,432	39.7%	4,451	41.1%	-18	-0.4%
Distribution per unit (JPY)	7,092		7,122		-30	

1. Rental revenues

- Whole-period contribution of 2 properties acquired in 13th fiscal period +274 mn yen
- In-period rental of 4 properties acquired in 14th fiscal period +140 mn yen
- Decrease from 1 property sold in 14th fiscal period -55 mn yen
- Improved profitability of existing properties, etc. +7 mn yen

2. Other rental revenues

- Revenue from cancellation penalty -174 mn yen

3. Incidental income/utilities expenses

- Incidental income: +120 mn yen
- Utilities expenses: +140 mn yen (Seasonal change on both sides of revenue and expense)

4. Non-operating profits and losses

(1) Non-operating profits

- Income from settlement of management accounts -80 mn yen

(2) Non-operating expenses

- Interest expenses +150 mn yen (Increase of interest-bearing liabilities in correlation with acquisition of new properties)

(Reference)

In January 2002 (before the IPO), investment units (500,000 yen per unit) were split into 2.5 units (200,000 yen per unit) to make investment units easier to invest in. Therefore, the distribution per unit based on the pre-split level would be 17,730 yen.

(Note) Figures were rounded off to a million yen.

Detailed Comparison of Actual Results and Forecasts

Item		14th Fiscal Period Results July 1, 2008 - Dec. 31, 2008 ⁽²⁾		14th Fiscal Period Forecasts ⁽¹⁾ July 1, 2008 - Dec. 31, 2008		Change from 14th Period Forecasts	
		Amount	%	Amount	%	Amount	%
Operating profit and loss	Rental revenues	10,365	92.8%	10,429	93.2%	-63	-0.6%
	Rents	8,462	75.7%	8,520	76.1%	-57	-0.7%
	Common charges	1,635	14.6%	1,636	14.6%	-0	-0.1%
	Other rental revenues	805	7.2%	766	6.8%	39	5.1%
	Incidental income	714	6.4%	716	6.4%	-2	-0.3%
	Real estate rental revenues (1)	11,171	100.0%	11,195	100.0%	-23	-0.2%
	Gain on sale of real estate	—	—	—	—	—	—
	Dividends income	—	—	—	—	—	—
	Operating revenues	11,171	100.0%	11,195	100.0%	-23	-0.2%
	Property and other taxes	849	7.6%	854	7.6%	-4	-0.5%
	Other rental expenses	2,373	21.2%	2,338	20.9%	34	1.5%
	Outsourcing expenses	533	4.8%	534	4.8%	-1	-0.2%
	Utilities expenses	802	7.2%	781	7.0%	21	2.7%
	Casualty insurance	33	0.3%	335	0.3%	-2	-5.9%
	Repairs and maintenance	240	2.2%	223	2.0%	17	7.6%
	Property management fees	226	2.0%	220	2.0%	6	2.8%
	Management association accounts	455	4.1%	455	4.1%	0	0.1%
	Others	80	0.7%	87	0.8%	-7	-8.1%
	Depreciation	1,799	16.1%	1,819	16.3%	-20	-1.1%
	Real estate rental expenses (2)	5,022	45.0%	5,012	44.8%	9	0.2%
Loss on sale of real estate	4	0.0%	—	—	4	—	
Asset management fees	416	3.7%	419	3.7%	-2	-0.6%	
Adm. service/custodian fees	65	0.6%	72	0.6%	-6	-9.5%	
Director's remuneration	6	0.1%	6	0.1%	—	—	
Trust fees	56	0.5%	55	0.5%	1	2.0%	
Others	116	1.0%	153	1.4%	-36	-24.0%	
Operating expenses	5,689	50.9%	5,720	51.1%	-31	-0.5%	
Operating profits	5,482	49.1%	5,474	48.9%	7	0.1%	
Profits ((1)-(2))	6,149	55.0%	6,182	55.2%	-33	-0.5%	
Net operating income (NOI)	7,948	71.2%	8,002	71.5%	-53	-0.7%	
Non-operating revenues	35	0.3%	24	0.2%	11	48.5%	
Non-operating expenses	1,084	9.7%	1,122	10.0%	-38	-3.4%	
Interest expenses (inc. corporate bonds)	1,048	9.4%	1,065	9.5%	-17	-1.7%	
Recurring profits	4,433	39.7%	4,376	39.1%	57	1.3%	
Income before income taxes	4,433	39.7%	4,376	39.1%	57	1.3%	
Net income	4,432	39.7%	4,375	39.1%	57	1.3%	
Retained earnings at the end of period	4,432	39.7%	4,375	39.1%	57	1.3%	
Distributions per unit (JPY)		7,092		7,000		92	

(Note) Figures were rounded off to a million yen.

(1) Forecasts for the 14th Fiscal Period were announced at the time the 13th Fiscal Period (ended June 2008) results were announced and were calculated based on the premise of 50 properties owned and 1 preferred security owned as was the situation at the end of the 13th Fiscal Period.

(2) 52 properties as of the end of the 14th Fiscal Period.

Balance Sheet as of the End of the 14th Fiscal Period

As a result of conservative management, both assets and borrowings slightly increased.

Item	As of Dec. 31, 2008		As of June 30, 2008		Change		(JPY mn)		
	Amount	%	Amount	%	Amount	%			
Total current assets	34,914	11.3%	33,958	11.2%	956	2.8%			
Cash and bank deposits	19,706	6.4%	18,461	6.1%	1,245	6.7%			
Entrusted cash and deposits	14,860	4.8%	15,126	5.0%	-266	-1.8%			
Other current assets	347	0.1%	369	0.1%	-22	-6.0%			
Total fixed assets	274,215	88.7%	269,365	88.8%	4,849	1.8%			
Property and equipment	272,283	88.0%	267,450	88.1%	4,832	1.8%			
Real estate	92,326	29.9%	83,062	27.4%	9,264	11.2%			
Buildings and structures	28,447	9.2%	26,519	8.7%	1,927	7.3%			
Land	63,879	20.7%	56,542	18.6%	7,336	13.0%			
Entrusted real estate	179,956	58.2%	184,388	60.8%	-4,431	-2.4%			
Buildings and structures	64,581	20.9%	67,260	22.2%	-2,679	-4.0%			
Land	115,375	37.3%	117,128	38.6%	-1,752	-1.5%			
Total intangible assets	1,551	0.5%	1,552	0.5%	-1	-0.1%			
Leashold rights	1,542	0.5%	1,542	0.5%	—	—			
Other intangible assets	8	0.0%	9	0.0%	-1	-12.2%			
Total investments and other assets	380	0.1%	362	0.1%	18	5.0%			
Investment securities	344	0.1%	344	0.1%	—	—			
Deposits	17	0.0%	17	0.0%	—	—			
Others	19	0.0%	0	0.0%	18	2027.7%			
Total deferred assets	123	0.0%	135	0.0%	-12	-9.4%			
Corporate bond issuance costs	123	0.0%	135	0.0%	-12	-9.4%			
Total assets	309,253	100.0%	303,459	100.0%	5,793	1.9%			
Total current liabilities	30,612	9.9%	18,366	6.1%	12,246	66.7%			
Accounts payable and accrued expenses	2,280	0.7%	2,405	0.8%	-125	-5.2%			
Rent received in advance	1,160	0.4%	1,168	0.4%	-8	-0.7%			
Short-term borrowings	17,172	5.6%	14,792	4.9%	2,380	16.1%			
Current portion of long-term borrowings	—	—	—	—	—	—			
Current portion of corporate bonds	10,000	3.2%	—	—	10,000	—			
Total long-term liabilities	117,482	38.0%	123,916	40.8%	-6,434	-5.2%			
Deposits received from tenants	15,399	5.0%	15,233	5.0%	165	1.1%			
Long-term borrowings	57,583	18.6%	54,183	17.9%	3,400	6.3%			
Corporate bonds	44,500	14.4%	54,500	18.0%	-10,000	-18.3%			
Total liabilities	148,095	47.9%	142,282	46.9%	5,812	4.1%			
Unitholders' capital	156,725	50.7%	156,725	51.6%	—	—			
Retained earnings	4,432	1.4%	4,451	1.5%	-18	-0.4%			
Total unitholders' equity	161,158	52.1%	161,177	53.1%	-18	-0.0%			
Total liabilities and unitholders' equity	309,253	100.0%	303,459	100.0%	5,793	1.9%			

	(JPY mn)		
	End of 14th Fiscal Period	End of 13th Fiscal Period	Variation
1. Balance of interest-bearing debt	129,255	123,475	5,780
Total	129,255	123,475	5,780
(Breakdown)			
Unsecured borrowings	65,572	59,792	5,780
Secured borrowings	9,183	9,183	—
Unsecured corporate bonds	54,500	54,500	—
2. Interest-bearing debt ratio, etc.	End of 14th Fiscal Period	End of 13th Fiscal Period	Variation (P)
(1) Interest-bearing debt ratio			
Interest-bearing debt / (Interest-bearing debt + Unitholders' capital)	45.2%	44.1%	1.1
(2) Interest-bearing debt to total assets			
① Interest-bearing debt / Total assets at end of period	41.8%	40.7%	1.1
② Interest-bearing debt / (Total assets at end of period + Gains or losses from real estate valuation)	37.2%	34.5%	2.7
(3) Ratio of long-term fixed-rate borrowings			
Long-term fixed-rate interest-bearing debt (*) / Interest-bearing debt	79.0%	88.0%	-9.0
*Total amount of long-term fixed-rate debt with over 1 year to maturity			
3. Commitment line status	End of 14th Fiscal Period	End of 13th Fiscal Period	Variation
① Credit limit (total)	16,000	20,000	-4,000
② Outstanding debt at the end of the period	—	—	—
③ Unused commitment line at the end of the period	16,000	20,000	-4,000
④ Lenders (as of the end of the period)	Mizuho Corporate Bank, The Bank of Tokyo-Mitsubishi UFJ, Resona Bank, Mitsubishi UFJ Trust and Banking		
*Agreements have been concluded separately with the respective banks listed above.			
4. Investment units status	End of 14th Fiscal Period	End of 13th Fiscal Period	Variation
① Total number of units issued and outstanding (units)	625,000	625,000	—
② Total unitholders' equity per unit (yen)	257,853	257,883	-30

(Note) Figures were rounded off to a million yen.



14th

Japan Prime Realty Investment Corporation

**External Growth
(Replacement of Properties)**

Major Properties Acquired or Sold During the 14th Fiscal Period

During the 14th fiscal period, we replaced properties by acquiring 3 new properties* and by selling 1 property.

	Minami Azabu Building	Yurakucho Ekimae Building (Yurakucho Itocia)	Shinagawa Canal Building	NORTH 33 Building 【Sold】
				
■ Type of Use	Office	Retail	Office	Office
■ Acquisition/Sale Date	July 2008	August 2008	December 2008	October 2008
■ Acquisition/Sale Price	JPY 3.76 bn	JPY 3.4 bn	JPY 1.87 bn	JPY 3.52 bn
■ Appraisal Value (at acquisition or sale)	JPY 3.76 bn	JPY 3.4 bn	JPY 1.88 bn	JPY 2.96 bn (as of June 30, 2008)
■ Location	Minato-ku, Tokyo	Chiyoda-ku, Tokyo	Minato-ku, Tokyo	Sapporo City, Hokkaido
■ Ownership				
Land	Ownership	Co-ownership (1.9%)	Co-ownership (45.6%)	Ownership
Bldg.	Ownership	Co-ownership of unit ownership (4.3%)	Unit ownership	Unit ownership
■ Expected NOI	4.1%	3.4%	5.0% (appraisal cap rate)	5.0% (NOI yield based on acquisition price)
■ Seller/Buyer	East3 SPC (SPC operated by Tokyo Tatemono)	Taisei Corporation	Tokyo Tatemono Co., Ltd.	Hulic Co., Ltd.

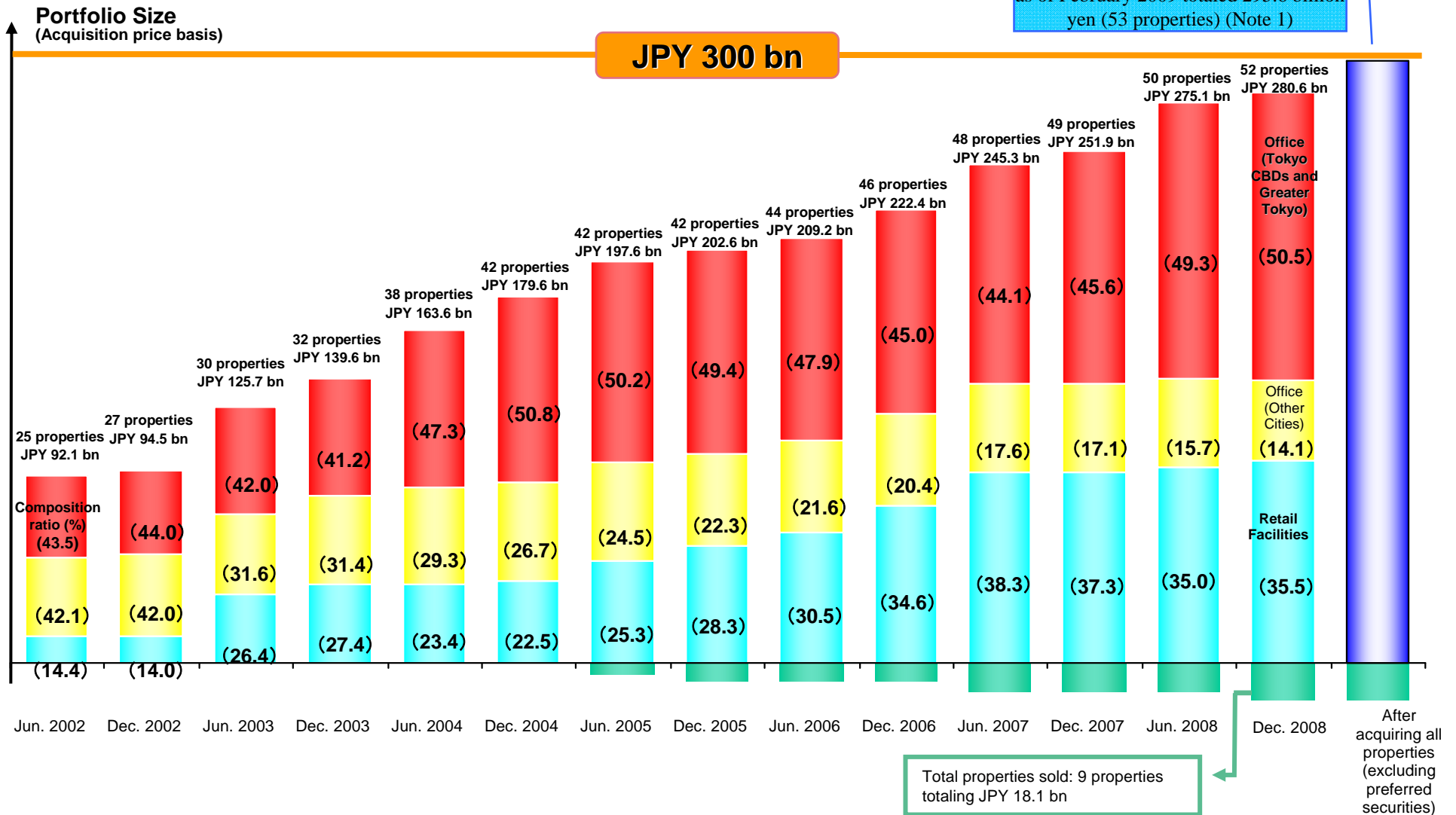
* Other than the properties mentioned above, JPR additionally acquired Shinjuku Square Tower during the 14th fiscal period. However, since the acquisition price was low at 180 million yen, this information has been excluded.



From Expansion of Portfolio Size to Quality Improvement

On a contracted basis, the portfolio size has reached about 300 billion yen, and hereafter JPR will aim to improve quality through the replacement of properties.

The portfolio size on a contracted basis as of February 2009 totaled 295.6 billion yen (53 properties) (Note 1)



* JPR was listed on June 14, 2002. All amounts are acquisition prices (excluding preferred securities) rounded down to 100 million yen. The composition ratio has been rounded to the first decimal place. (Note 1) The figure includes Sendagaya Yonchome Building (tentative name) and excludes KM Fukugo Bldg. (tentative name) and Meieki Nichome Kaihatsu SPC Preferred Securities.

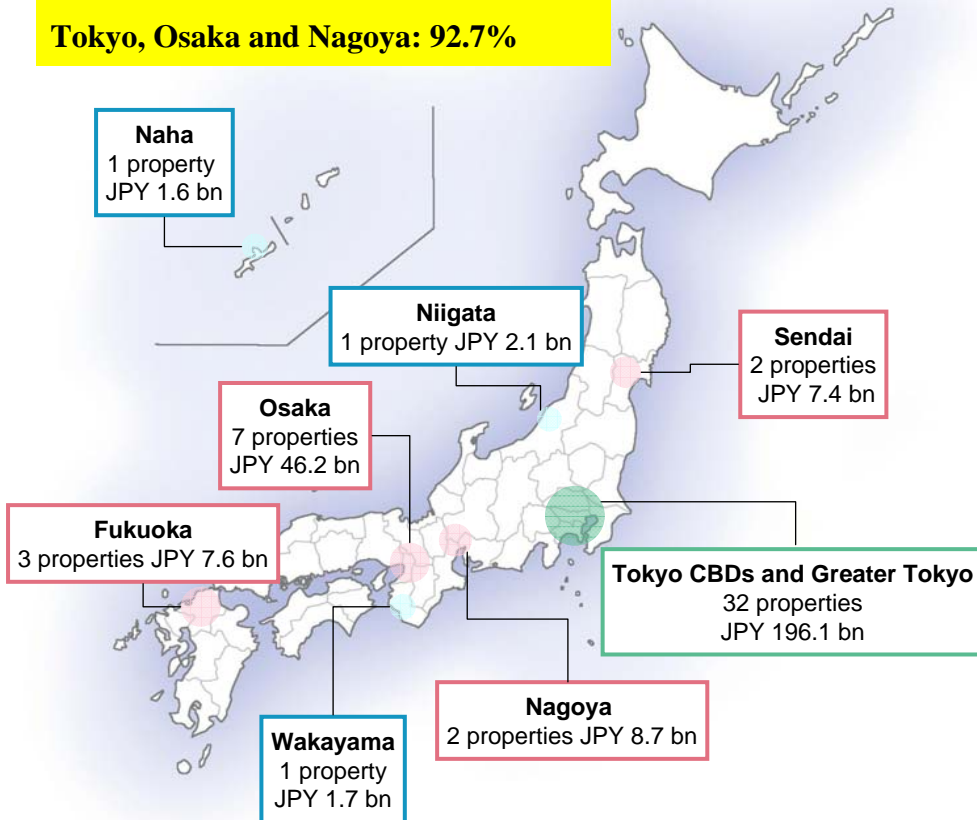
Establishing the Core Portfolio and Diversifying Risks

Focus on Investing in Tokyo Where Stability and Growth are Expected While Considering Risk Diversification

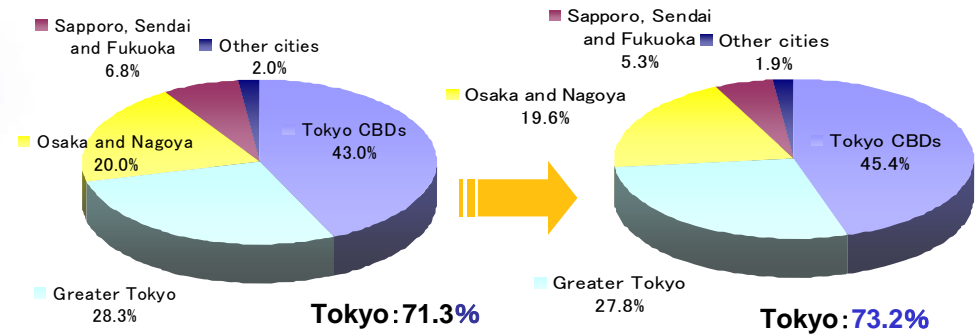
Portfolio Diversification as of the End of Dec. 2008 (on an acquisition price basis)

Tokyo CBDs and Greater Tokyo: 73.2%

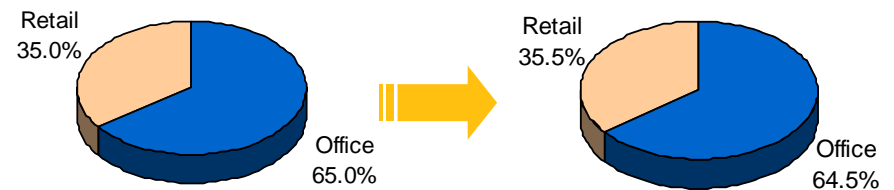
Tokyo, Osaka and Nagoya: 92.7%



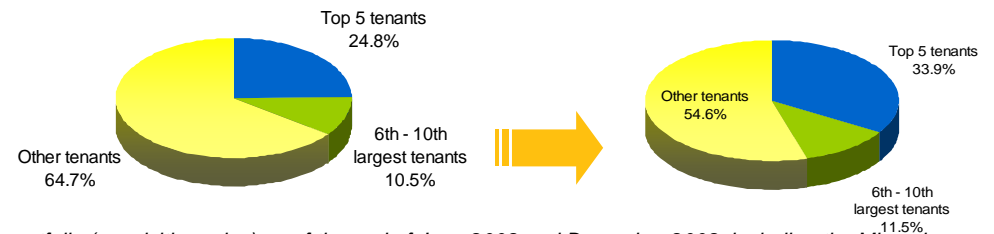
Geographic Diversification (as of the end of June 2008 and end of Dec. 2008)



Property Type Diversification (as of the end of June 2008 and end of Dec. 2008)



Tenant Diversification (as of the end of June 2008 and end of Dec. 2008)



* The figures have been rounded to JPY 100 million, and prepared based on JPR's portfolio (acquisition price) as of the end of June 2008 and December 2008, including the *Minami Azabu Building*, *Yurakucho Ekimae Building (Yurakucho Itocia)*, *Shinjuku Square Tower (additional ownership)*, and *Shinagawa Canal Building* which were already acquired, and excluding the *NORTH 33 Building* which was already sold, and the *KM Fukugo Bldg. (tentative name)*, *Sendagaya Yonchome Building (tentative name)* and *Meieki Nichome Kaihatsu SPC Preferred Securities*.



14th Japan Prime Realty Investment Corporation

Internal Growth

Internal growth based on promoting rent revisions contributed to the increase of revenue.

Results of upward revisions of rents by fiscal period

Limited to Tokyo CBDs and Greater Tokyo offices

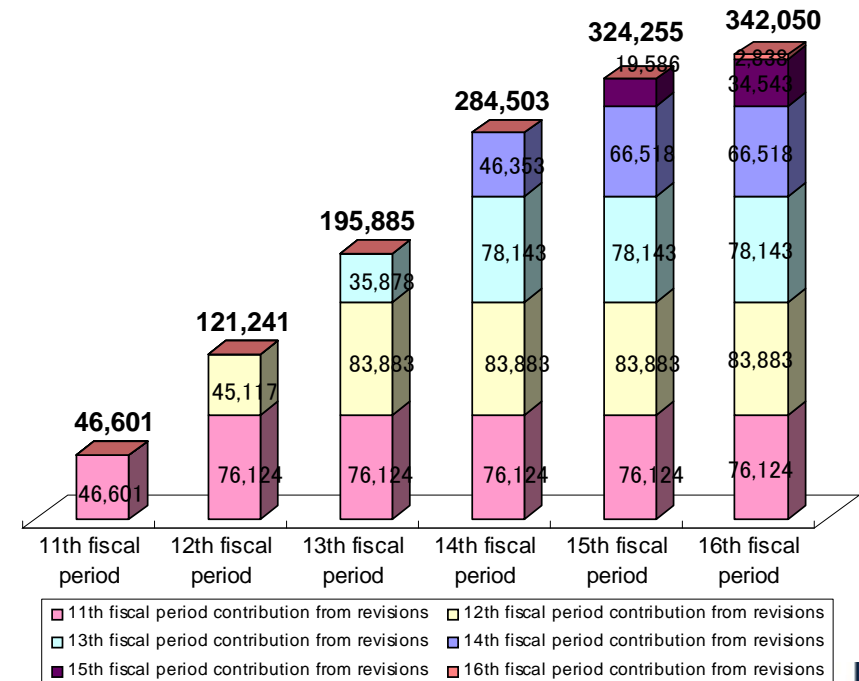
Fiscal Period	Timing of Rent Increase	Revised Contracts	Total No. of Contracts	%	Contribution to Revenue Increase (1,000 yen)					
					11th fiscal period	12th fiscal period	13th fiscal period	14th fiscal period	15th fiscal period	16th fiscal period
11th fiscal period contribution from revisions	11th fiscal period (June 2007 period) and before	56	297	18.9%	46,601	76,124	76,124	76,124	76,124	76,124
12th fiscal period contribution from revisions	12th fiscal period (December 2007 period)	35	328	10.7%	0	45,117	83,883	83,883	83,883	83,883
13th fiscal period contribution from revisions	13th fiscal period (June 2008 period)	60	364	16.5%	0	0	35,878	78,143	78,143	78,143
14th fiscal period contribution from revisions	14th fiscal period (December 2008 period)	17	354	4.8%	0	0	0	46,353	66,518	66,518
15th fiscal period contribution from revisions	Fixed portion of 15th fiscal period (June 2009 period)	19	354	5.4%	0	0	0	0	19,586	34,543
16th fiscal period contribution from revisions	Fixed portion of 16th fiscal period (December 2009) and after	4	354	1.1%	0	0	0	0	0	2,838
	Total	191	354	54.0%	46,601	121,241	195,885	284,503	324,255	342,050
				vs. 10th fiscal period rents	1.6%	4.2%	6.8%	9.8%	11.2%	11.8%

Continued to achieve upward revisions by continuing to charge commissions for renewals at higher rents and setting detailed objectives for renewals at higher rent [14th Fiscal Period Performance]

Positive rent revisions: about 12 mn yen/month
Revision rate: Max., about 43.5%, average of 16.2%

Rent revisions to contribute to NOI increase in 15th fiscal period and after

- *1. The revision performance figures are the number of revision cases on a contract base.
- *2. The numbers of contracts are the actual figures for the end of the 11th, 12th, 13th and 14th fiscal periods and the 15th and 16th fiscal periods use the figures for the end of the 14th fiscal period.
- *3. The range of this study is limited to offices in Tokyo and suburban Tokyo.
- *4. In the contribution to revenue increase, the ratio of "vs. 10th fiscal period rents" was calculated based only on rents, excluding common charges.
- *5. For the 15th and 16th fiscal periods, only revisions whose agreements were completed as of the end of January 2009 are shown.

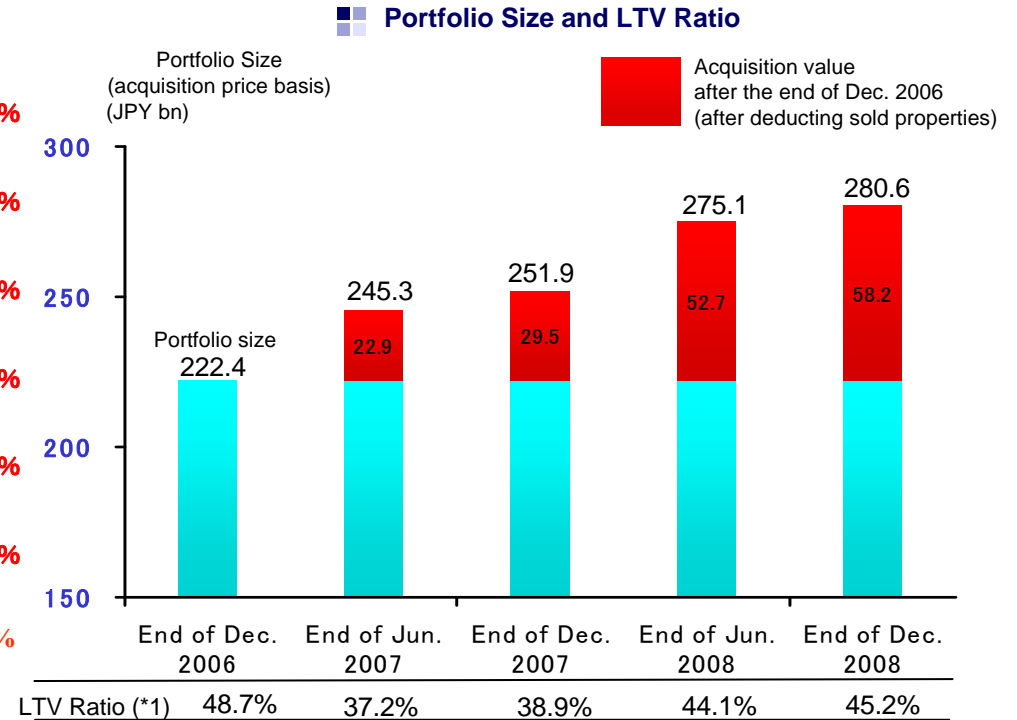
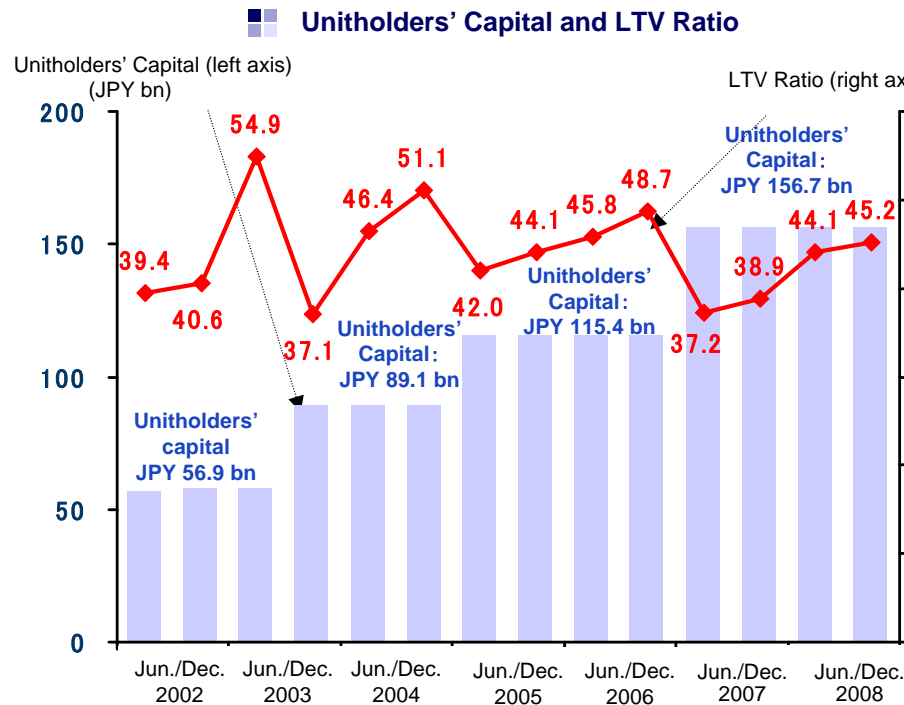




14th Japan Prime Realty Investment Corporation

Financial Strategy

Maintained the LTV ratio within the 30-50% range



At End of Dec. 2008
 Ratio of interest-bearing liabilities to total assets (*2): 41.8%
 Ratio of interest-bearing liabilities to total assets at market value (*3): 37.2%

- Additionally issued 95,000 units in February 2007, leading to an LTV ratio of 37.2% as of the end of June 2007.
- The LTV ratio rose to 45.2% as of the end of December 2008 due to the external growth achieved afterwards.
- All deposits from tenants are reserved in cash as of the end of December 2008.

(*1) LTV ratio (interest-bearing debt ratio) = Interest-bearing liabilities / (interest-bearing liabilities + Unitholders' Capital) × 100

(*2) Ratio of interest-bearing liabilities to total assets = Interest-bearing liabilities / total assets at end of fiscal period × 100

(*3) Ratio of interest-bearing liabilities to total assets at market value = Interest-bearing liabilities / (total assets at end of fiscal period + real estate valuation losses or gains) × 100



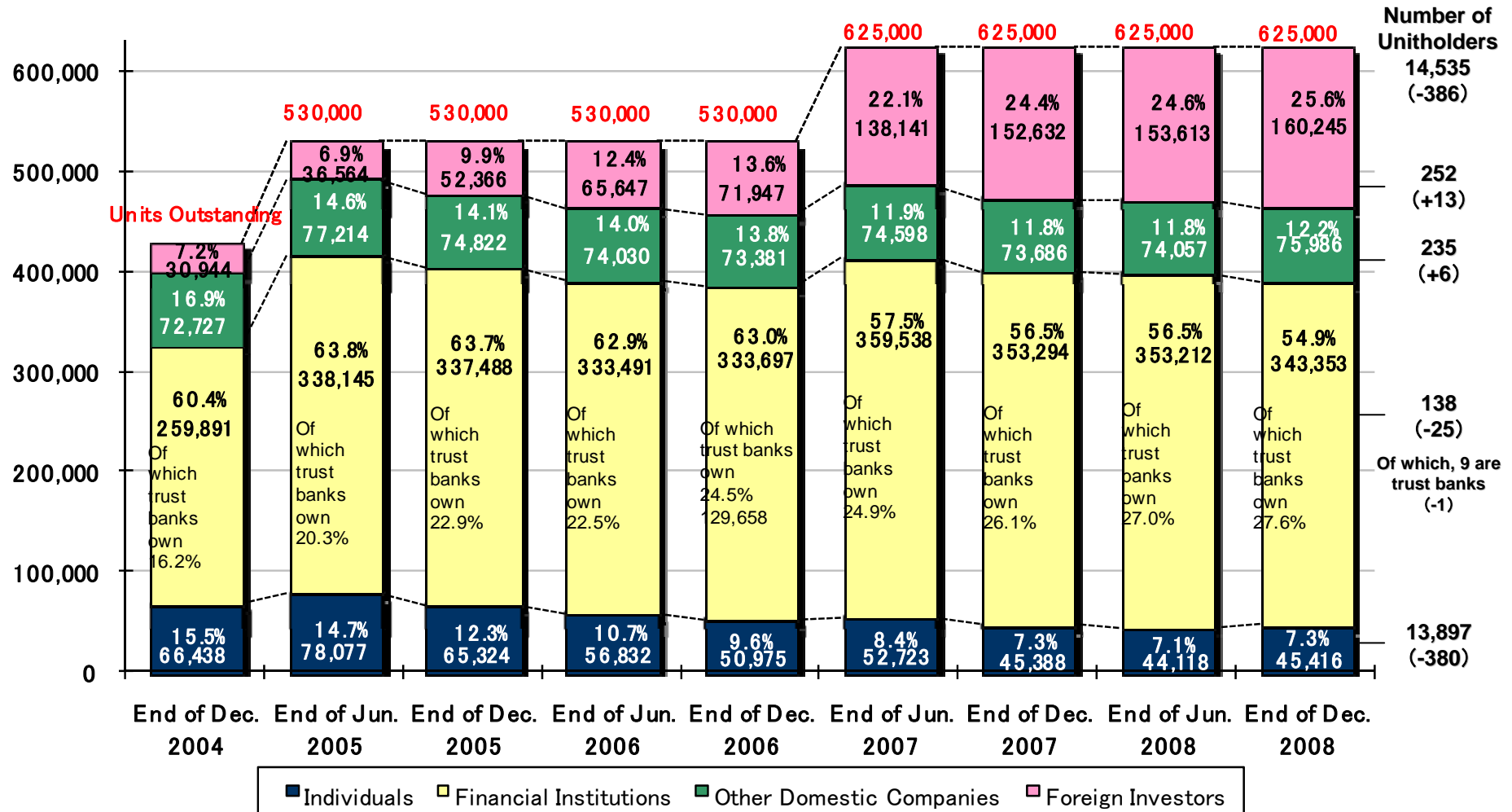
14th Japan Prime Realty Investment Corporation

Appendices



Historical Unitholder Composition (Number of Units by Investor Type)

The ratio of foreign investors has risen for 7 consecutive periods, while the ratio of financial institutions, excluding trust banks, dropped.



*The composition ratio is rounded to the first decimal place.

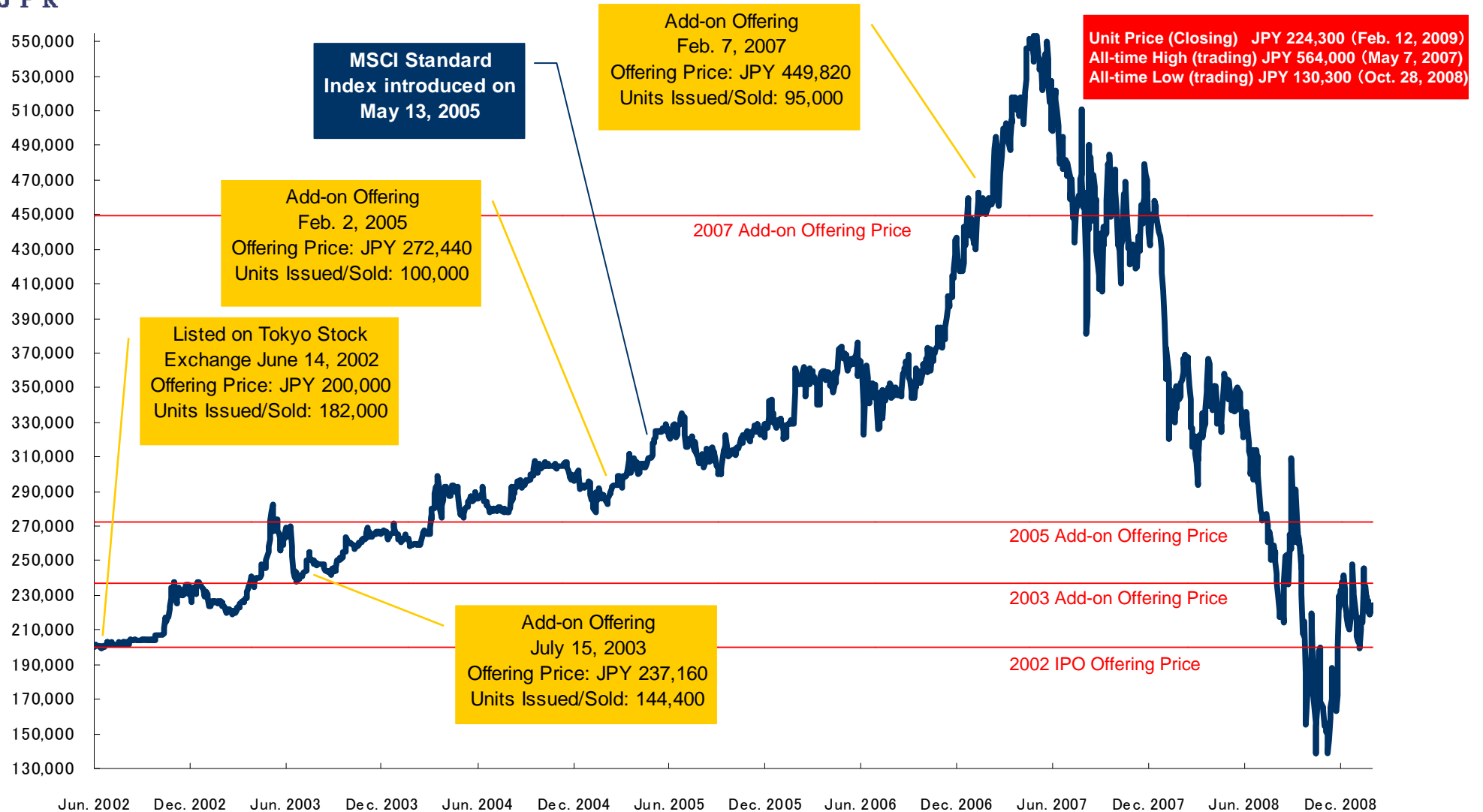
Principal Unitholders

14th Fiscal Period (Ended December 2008)			13th Fiscal Period (Ended June 2008)		
Name	Number of Units Owned	% of units outstanding (*)	Name	Number of Units Owned	% of units outstanding (*)
NikkoCiti Trust and Banking Corporation (Investment Trust Account)	53,402	8.54%	NikkoCiti Trust and Banking Corporation (Investment Trust Account)	46,956	7.51%
Japan Trustee Services Bank, Ltd. (Trust Account)	39,262	6.28%	Japan Trustee Services Bank, Ltd. (Trust Account)	45,572	7.29%
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	38,487	6.15%	Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	35,972	5.75%
Tokyo Tatemono Co., Ltd.	29,300	4.68%	Tokyo Tatemono Co., Ltd.	29,300	4.68%
Northern Trust Company (AVFC) , Account Singapore Clients (Standing Proxy: The Hongkong and Shanghai Banking Corporation Ltd., Tokyo Branch)	27,246	4.35%	Northern Trust Company (AVFC) , Account Singapore Clients (Standing Proxy: The Hongkong and Shanghai Banking Corporation Ltd., Tokyo Branch)	27,376	4.38%
Kawasaki Gakuen	25,000	4.00%	Kawasaki Gakuen	25,000	4.00%
Meiji Yasuda Life Insurance Company	24,000	3.84%	The Master Trust Bank of Japan, Ltd. (Trust Account)	24,383	3.90%
The Master Trust Bank of Japan, Ltd. (Trust Account)	22,958	3.67%	Meiji Yasuda Life Insurance Company	24,000	3.84%
North Pacific Bank, Ltd.	14,929	2.38%	North Pacific Bank, Ltd.	14,559	2.32%
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	13,628	2.18%	Nomura Securities Co., Ltd.	13,396	2.14%
Total	288,212	46.11%	Total	286,514	45.84%

* For the percentages of units outstanding, figures after the second decimal place have been rounded off.



Milestones Since IPO and Historical Unit Price (June 2002 – February 2009)

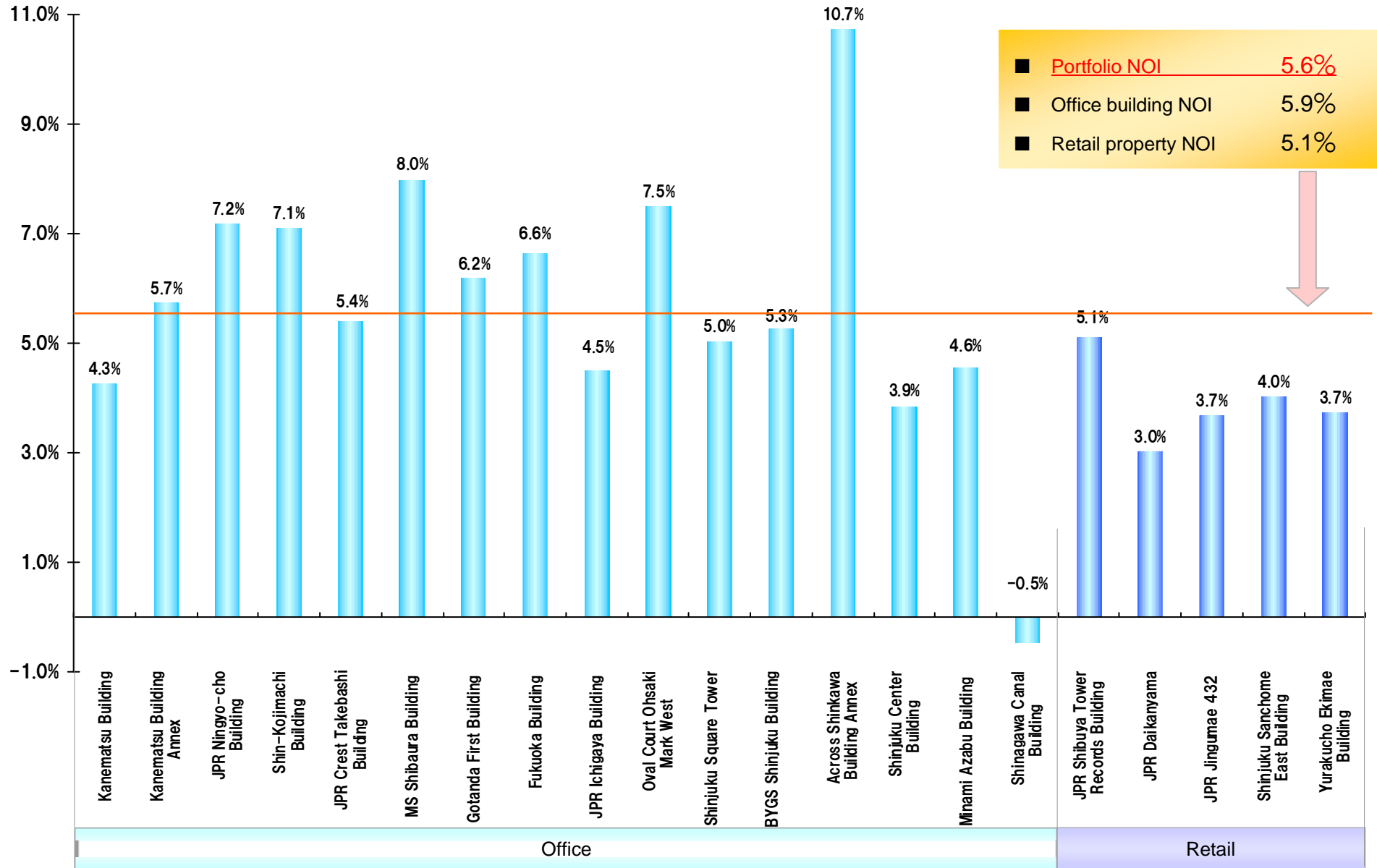


Fiscal Period	1 st Period Jun. 2002	2 nd Period Dec. 2002	3 rd Period Jun. 2003	4 th Period Dec. 2003	5 th Period Jun. 2004	6 th Period Dec. 2004	7 th Period Jun. 2005	8 th Period Dec. 2005	9 th Period Jun. 2006	10 th Period Dec. 2006	11 th Period Jun. 2007	12 th Period Dec. 2007	13 th Period Jun. 2008	14 th Period Dec. 2008
DPU	JPY 2,545	JPY 6,912	JPY 6,873	JPY 5,738	JPY 6,081	JPY 6,671	JPY 6,370	JPY 6,411	JPY 6,509	JPY 6,873	JPY 6,996	JPY 6,671	JPY 7,122	JPY 7,092



NOI Yield by Property for the 14th Fiscal Period (Tokyo CBDs)

(July 1, 2008 to December 31, 2008)

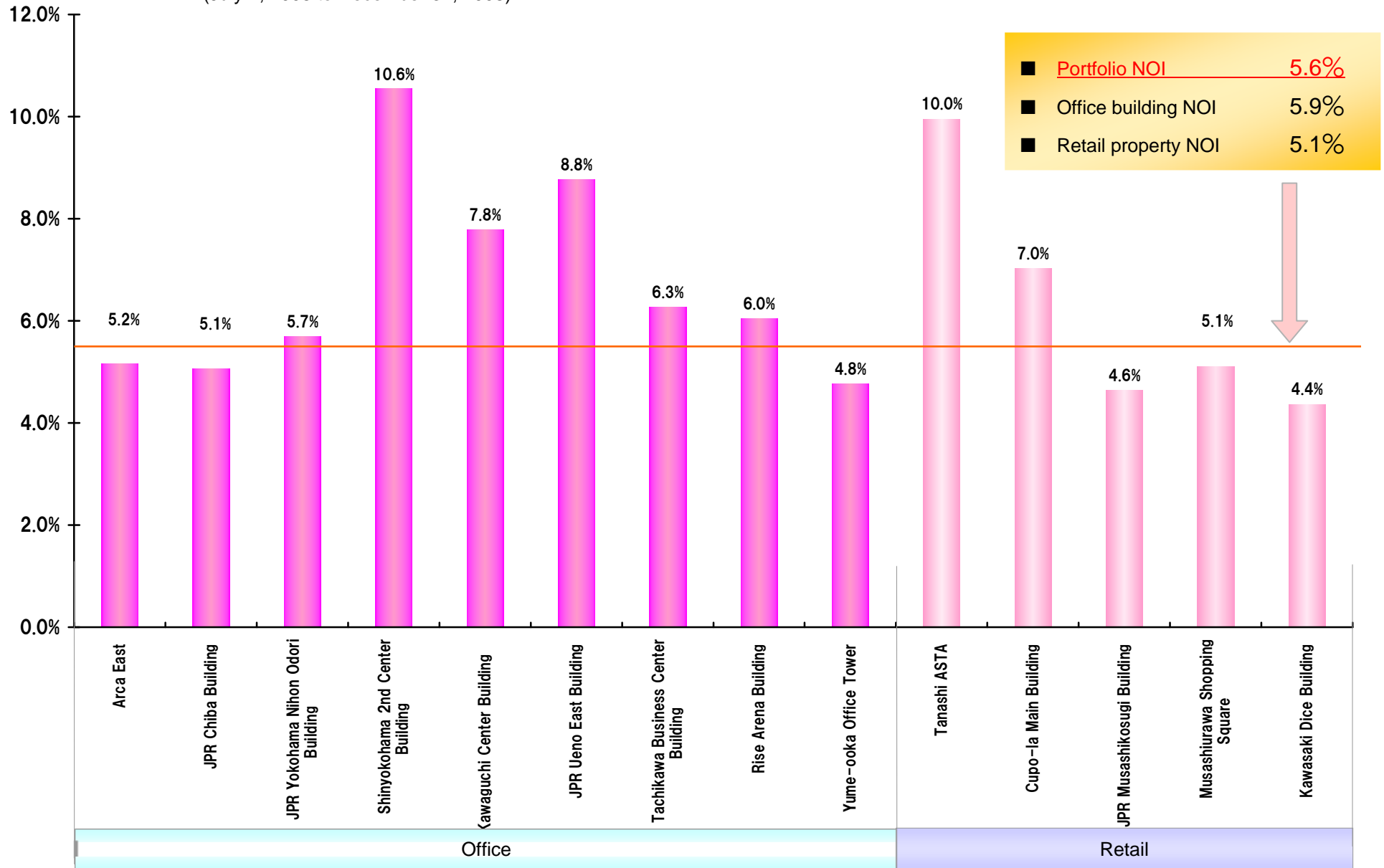


(Note) NOI yield = (Rental revenues - Rental expenses + Depreciation) x 365/184 ÷ Acquisition price. However, for properties acquired during the fiscal period, annualized NOI yield has been calculated on a daily pro rata basis.



NOI Yield by Property for the 14th Fiscal Period (Greater Tokyo)

(July 1, 2008 to December 31, 2008)

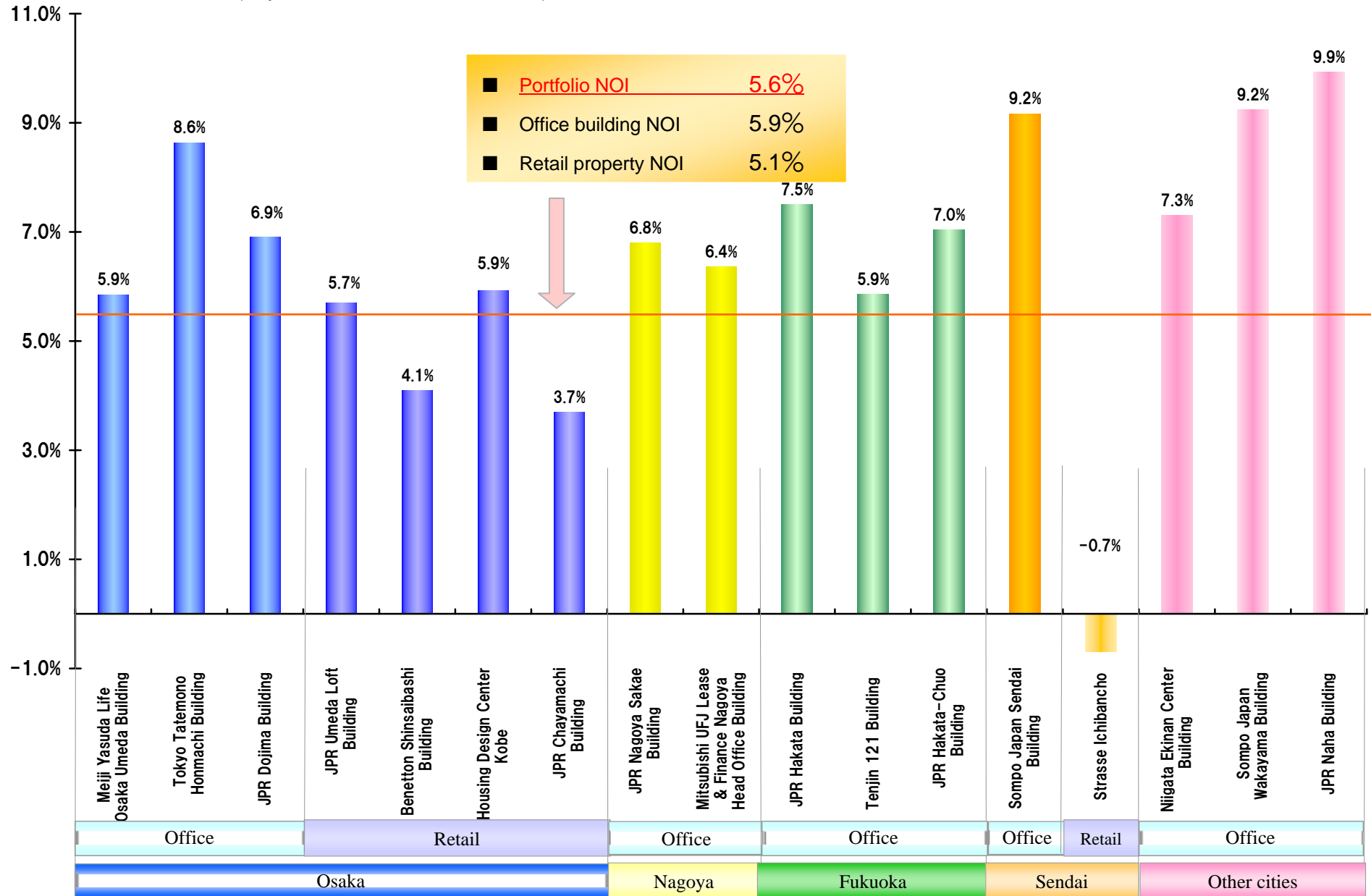


(Note) NOI yield = (Rental revenues - Rental expenses + Depreciation) x 365/184 ÷ Acquisition price. However, for properties acquired during the fiscal period, annualized NOI yield has been calculated on a daily pro rata basis.



NOI Yield by Property for the 14th Fiscal Period (Other Cities)

(July 1, 2008 to December 31, 2008)



(Note) NOI yield = (Rental revenues - Rental expenses + Depreciation) x 365/184 ÷ Acquisition price. However, for properties acquired during the fiscal period, annualized NOI yield has been calculated on a daily pro rata basis.

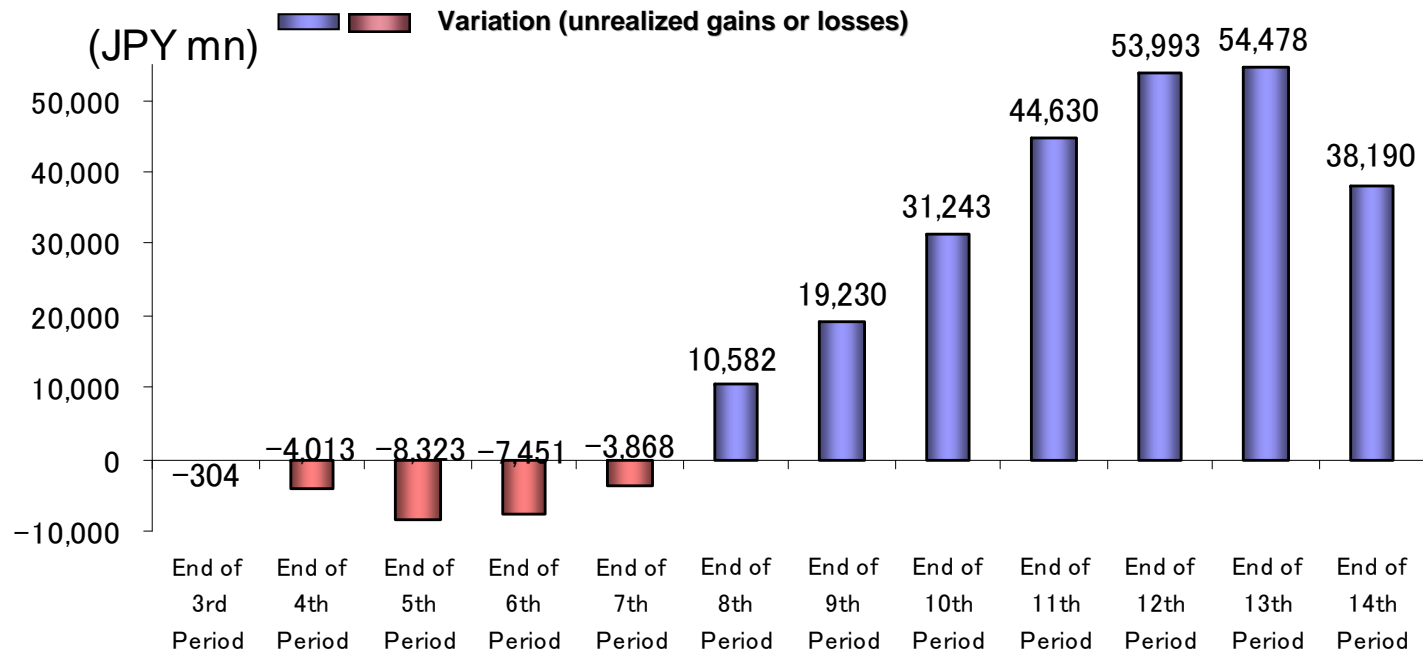


Changes in Variation Between Appraisal Value and Book Value

Variation between the appraisal value and book value (unrealized gains) decreased, leading to 318,957 Yen (Note 1) in net assets per unit after including unrealized gains.

	End of 3rd Period	End of 4th Period	End of 5th Period	End of 6th Period	End of 7th Period	End of 8th Period	End of 9th Period	End of 10th Period	End of 11th Period	End of 12th Period	End of 13th Period	End of 14th Period
	Jun. 2003	Dec. 2003	Jun. 2004	Dec. 2004	Jun. 2005	Dec. 2005	Jun. 2006	Dec. 2006	Jun. 2007	Dec. 2007	Jun. 2008	Dec. 2008
Number of properties	30	32	38	42	42	42	44	46	48	49	50	52
Appraisal value at end of period (JPY mn)	125,207	135,211	155,061	171,526	191,905	210,601	224,773	249,366	285,176	299,995	322,984	311,513
Book value (JPY mn)	125,511	139,224	163,384	178,977	195,773	200,019	205,543	218,123	240,546	246,002	268,506	273,323
Variation (unrealized gains: JPY mn)	-304	-4,013	-8,323	-7,451	-3,868	10,582	19,230	31,243	44,630	53,993	54,478	38,190
Ratio of unrealized gains or losses*	-0.2%	-2.9%	-5.1%	-4.2%	-2.0%	5.3%	9.4%	14.3%	18.6%	21.9%	20.3%	14.0%

*Ratio of unrealized gains or loss = Variation/book value × 100



(Note 1) Net assets per unit after including unrealized gains = (net assets at end of period + unrealized gains or losses)/number of outstanding units issued at end of period

Appraisals and Cap Rates as of the End of the Fiscal Period

No.	Property Name	End of 14th Period		End of 13th Period	
		Appraisal Value (*2)	Cap Rate (*3)	Appraisal Value (*2)	Cap Rate (*3)
1	Kanematsu Building	16,300,000	4.50%	17,000,000	4.40%
2	Kanematsu Building Annex	3,150,000	4.80%	3,300,000	4.70%
3	JPR Ningyo-cho Building	2,700,000	5.20%	2,850,000	4.90%
4	Shin-Kojimachi Building	3,220,000	4.90%	3,420,000	4.60%
5	JPR Crest Takebashi Building	4,100,000	4.60%	4,100,000	4.60%
6	MS Shibaura Building	17,600,000	4.80%	19,100,000	4.60%
7	Gotanda First Building	3,410,000	4.90%	4,000,000	4.70%
8	Fukuoka Building	3,390,000	4.50%	3,140,000	4.30%
9	JPR Ichigaya Building	5,590,000	4.60%	5,590,000	4.60%
10	Oval Court Ohsaki Mark West	4,620,000	4.60%	4,570,000	4.60%
11	Shinjuku Square Tower	13,389,000	4.35%	14,000,000	4.20%
12	BYGS Shinjuku Building	12,600,000	4.40%	12,600,000	4.40%
13	Across Shinkawa Building Annex	1,090,000	5.30%	1,090,000	5.30%
14	Shinjuku Center Building	18,000,000	4.20%	20,900,000	4.30%
15	Minami Azabu Building	3,400,000	5.00%	-	-
16	Shinagawa Canal Building	1,860,000	5.10%	-	-
17	JPR Shibuya Tower Records Building	13,800,000	4.20%	15,200,000	3.80%
18	JPR Daikanyama	1,580,000	4.70%	1,740,000	4.50%
19	JPR Jingumae 432	4,500,000	3.40%	4,630,000	3.30%
20	Shinjuku Sanhome East Building	2,470,000	4.40%	2,590,000	4.20%
21	Yurakucho Ekimae Building	3,030,000	3.80%	-	-
22	Arca East	7,600,000	4.50%	7,790,000	4.50%
23	JPR Chiba Building	1,930,000	5.70%	1,930,000	5.70%
24	JPR Yokohama Nihon Odori Building	2,770,000	5.40%	2,770,000	5.40%
25	Shinyokohama 2nd Center Building	1,360,000	5.80%	1,670,000	5.50%
26	Kawaguchi Center Building	10,500,000	5.60%	10,800,000	5.40%
27	JPR Ueno East Building	5,770,000	5.00%	5,690,000	5.00%
28	Tachikawa Business Center Building	3,760,000	5.50%	3,990,000	5.20%
29	Rise Arena Building	6,950,000	5.40%	8,290,000	5.10%
30	Yume-ooka Office Tower	6,250,000	5.30%	6,720,000	4.90%
31	Tanashi ASTA	13,300,000	5.40%	13,300,000	5.40%
32	Cupo-la Main Building	2,570,000	5.70%	2,810,000	5.20%
33	JPR Musashikosugi Building	7,000,000	4.70%	7,090,000	4.60%
34	Musashirawa Shopping Square	4,340,000	4.90%	4,410,000	4.80%
35	Kawasaki Dice Building	15,184,000	4.60%	15,184,000	4.50%

No.	Property Name	End of 14th Period		End of 13th Period	
		Appraisal Value (*2)	Cap Rate (*3)	Appraisal Value (*2)	Cap Rate (*3)
36	Niigata Ekinan Center Building	2,220,000	6.50%	2,260,000	6.20%
37	Meiji Yasuda Life Osaka Umeda Building	11,200,000	4.70%	11,600,000	4.50%
38	Tokyo Tatemono Honmachi Building	4,180,000	6.60%	4,280,000	6.50%
39	JPR Hakata Building	3,200,000	5.80%	3,250,000	5.70%
40	JPR Naha Building	1,700,000	6.50%	1,720,000	6.30%
41	Sompo Japan Sendai Building	4,050,000	6.20%	4,320,000	5.80%
42	Sompo Japan Wakayama Building	1,910,000	7.30%	1,970,000	7.10%
43	Tenjin 121 Building	2,870,000	5.50%	3,180,000	5.00%
44	JPR Nagoya Sakae Building	5,840,000	4.80%	6,190,000	4.80%
45	JPR Dojima Building	3,100,000	5.30%	3,210,000	5.20%
46	JPR Hakata-Chuo Building	2,190,000	5.50%	2,360,000	5.00%
47	Mitsubishi UFJ Lease & Finance Nagoya Head Office Building	4,170,000	5.40%	4,600,000	4.90%
48	JPR Umeda Loft Building	15,800,000	4.45%	16,300,000	4.30%
49	Strasse Ichibancho	2,450,000	6.00%	3,180,000	5.70%
50	Benetton Shinsaibashi Building	5,260,000	4.30%	5,660,000	4.00%
51	Housing Design Center Kobe	7,100,000	5.70%	8,100,000	5.40%
52	JPR Chayamachi Building	5,190,000	4.50%	5,580,000	4.20%
Total		311,513,000	-	320,024,000	-

Properties whose appraisal values decreased

(*2) At end of period (1,000 yen)

(*3) Direct Capitalization Method

Properties whose cap rates increased

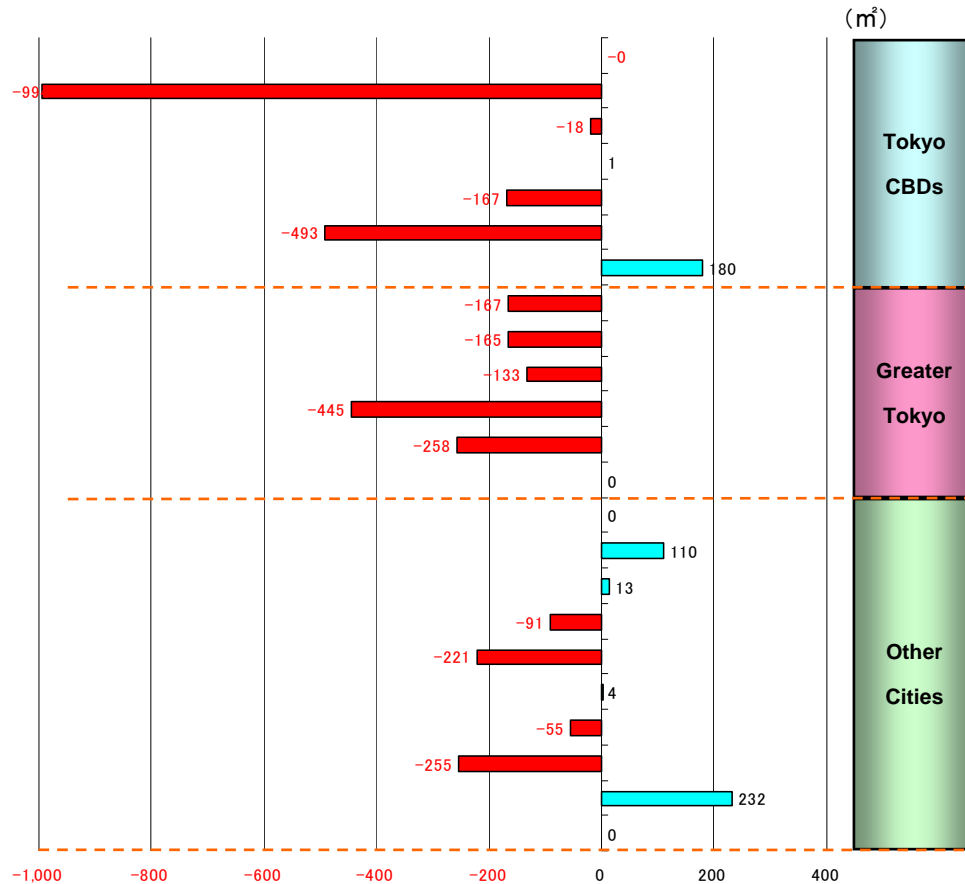
List of Appraisers:

Appraiser	Property No.	Property Nos.
Japan Real Estate Institute	Property No.	3, 4, 6, 7, 14, 15, 16, 17, 20, 21, 22, 27, 28, 30, 32, 37, 38, 41, 42, 43, 45, 46
Tanizawa Sogo Appraisal	Property No.	36, 39, 40
Nippon Tochi-Tatemono	Property No.	1, 2, 18, 25, 26, 49
CB Richard Ellis	Property No.	29, 47, 50, 51, 52
Daiwa Real Estate Appraisal Co., Ltd.	Property No.	5, 8, 9, 10, 12, 13, 23, 24, 31, 44
Nihon LCR	Property No.	11, 48
A Square	Property No.	19, 35
HIRO & REAS Network	Property No.	33, 34

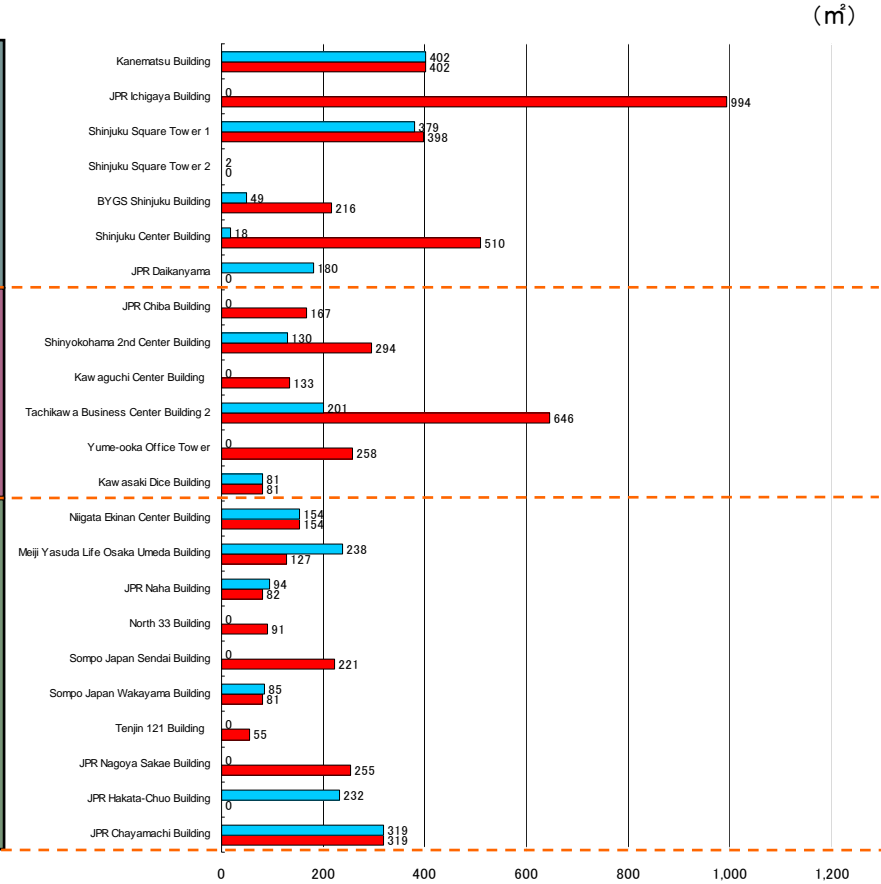
(*1) The Direct Capitalization Method is a method for determining income using the capitalization method (a method that determines the asset price of targeted real estate by determining the sum of the current price of the net income that the targeted real estate is expected to produce in the future) that discounts the net income for a set period using the cap rate.

Contracting Status of Tenants by Property for the 14th Fiscal Period

■ Net Increase/Decrease of Floor Space by Property (Occupied-Vacated)



■ Occupied/Vacated Floor Space by Property



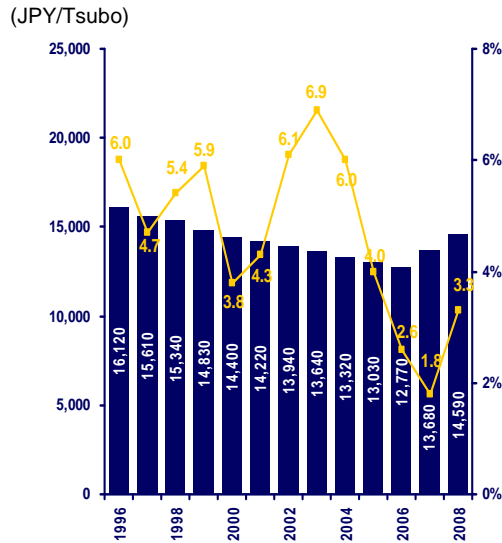
	Occupied (m ²)	Vacated (m ²)	Net (m ²)
Office (Tokyo CBDs)	849	2,520	-1,671
Office (Greater Tokyo)	331	1,498	-1,168
Office (Other cities)	803	1,065	-263
Retail	581	401	180
Total	2,564	5,485	-2,921

*The above graphs exclude properties at which there were no changes in tenants during the 14th fiscal period, but includes changes in tenants from the amendment of lease contracts.

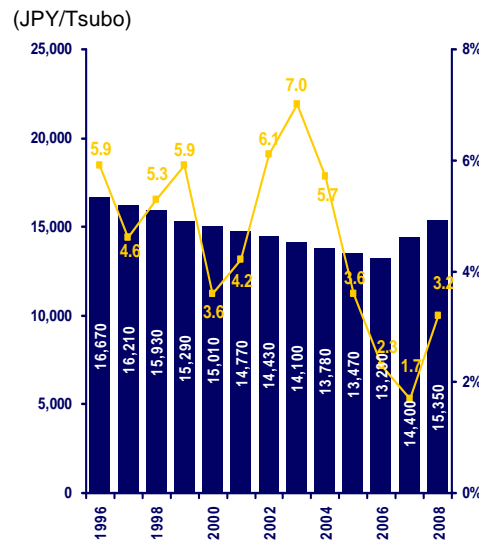


Office Vacancy Rates and Average Advertised Rents in Major Investment Areas

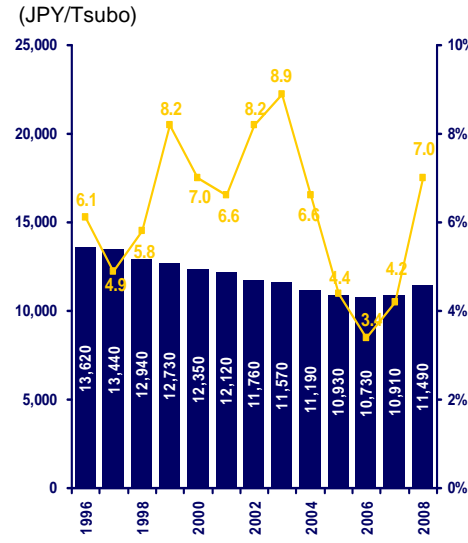
23 Wards of Tokyo



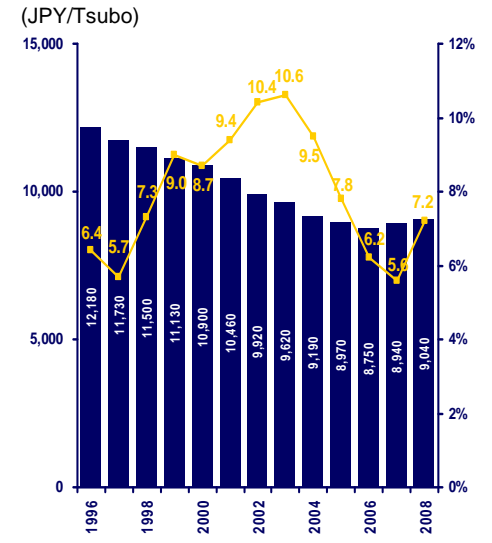
5 Wards of Tokyo



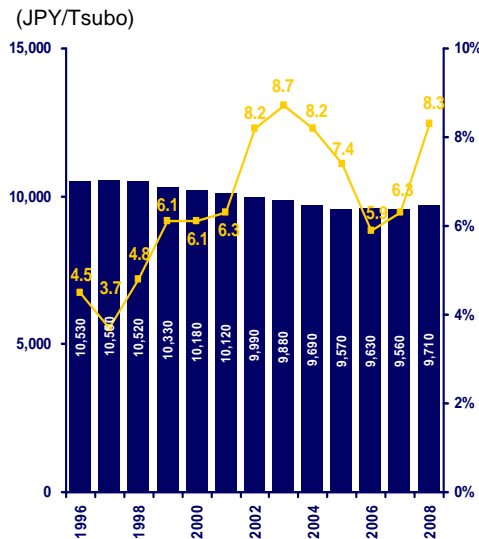
Yokohama City



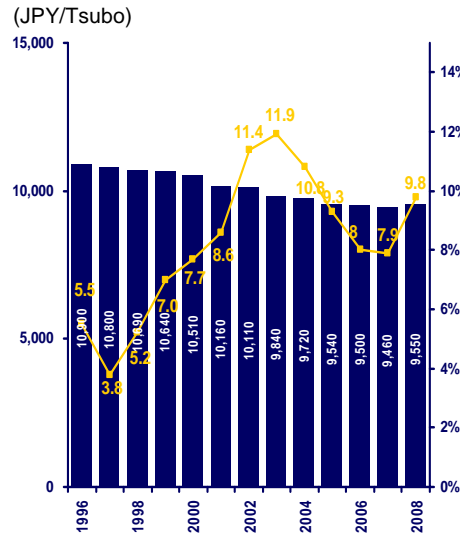
Osaka City



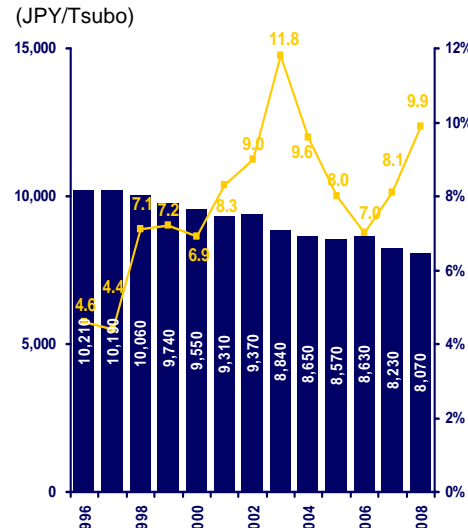
Nagoya City



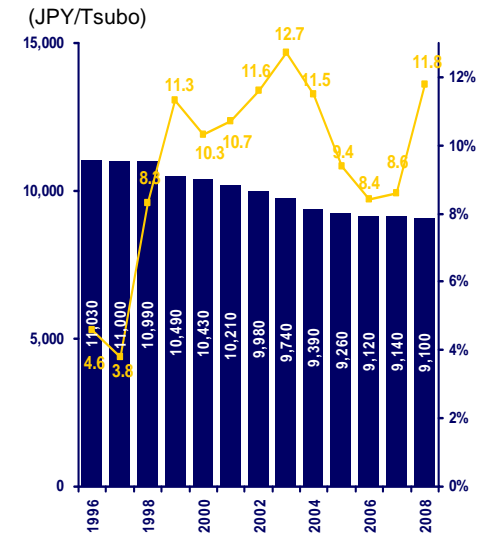
Fukuoka City



Sapporo City



Sendai City



Source: Office Market Report (CB Richard Ellis)

■ Advertised Rents ■ Vacancy Rate

(Note) Annual rents are for the months from January to December every year. Vacancy rates are those for each December from 1996 to 2008.

Disclaimer Regarding Forward-Looking Statements

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