



Japan Prime Realty Investment Corporation

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Presentation Material

for the **19th** Fiscal Period Ended **June 2011**

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

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Japan Prime Realty Investment Corporation

Financial Summary for the 19th Fiscal Period
(Ended June 2011) and Future Prospects

19th

Highlights of Financial Results for the 19th Fiscal Period

Achieved period-on-period increase in ordinary income due to improved non-operating income/expenses despite recording of extraordinary loss caused by the impact of the Earthquake

Achieved increases both in operating revenue and operating income compared with beginning-of-period forecast, securing cash distribution at the forecasted level

Highlights of Financial Results for the 19th Fiscal Period

(JPY mn unless otherwise stated)	19th Period (a)	18th Period (b)	Change from 18th Period	
	Jan. 1, 2011 - Jun. 30, 2011	Jul. 1, 2010 - Dec. 31, 2010	(a)-(b)	Change
Operating Revenue	11,529	11,870	-340	-2.9%
Operating Income	5,603	5,886	-282	-4.8%
Ordinary Income	4,075	4,039	35	0.9%
Net Income	4,010	4,039	-28	-0.7%
Total Assets	360,004	360,904	-899	-0.2%
NAV	175,452	175,502	-50	-0.0%
NAV per Unit (JPY)	245,387	245,458	-71	-0.0%
NAV Ratio	48.7%	48.6%	0.1% points	
DPU (JPY)	5,611	5,680	-69	-1.2%
Number of Units Outstanding (Units)	715,000	715,000	-	-

Comparison with Forecast

	Forecasts for the 19th	Change from Forecasts for the 19th		(Reference) Revised Forecasts as of June 30, 2011
	Fiscal Period (C)	(a)-(c)	Change	
Operating Revenue	11,490	38	0.3%	11,539
Operating Income	5,551	51	0.9%	5,542
Ordinary Income	4,005	70	1.8%	4,005
Net Income	4,004	6	0.2%	4,004
DPU (JPY)	5,600	11	0.2%	5,600
Number of Units Outstanding (Units)	715,000	-	-	715,000

Highlights of Properties

	19th Period	18th Period
	Jan. 1, 2011 - Jun. 30, 2011	Jul. 1, 2010 - Dec. 31, 2010
Properties Owned at End of Fiscal Period	56	56
Total Acquisition Price (at period end)	341,584	341,584
(Number/price of properties acquired for current period) *1	-	2/10,300
(Number/price of properties sold for current period)*1	-	-
Average Monthly Occupancy Rate during Period	94.0%	93.6%

(1) Recorded total acquisition price (excluding acquisition costs and other expenses).
(2) Change (%) has been rounded to the first decimal place.

Distribution: Secured cash distribution for the 19th period at the same level as beginning-of-period forecast

- DPU for 19th period: 5,611 yen (down 69 yen from 18th period and up 11 yen from beginning-of-period forecast)
- Period-on-period increases in revenues and profits over the beginning-of-period forecast
- Operating revenue significantly decreased period-on-period due to the lack of proceeds from cancellation penalty, etc., but improved non-operating income/expenses led to an increase in ordinary income
- Recorded 64 million yen as extraordinary loss for repair expenses associated with the Earthquake

External Growth: Maintained proactive property acquisition strategy

- The volume of property information JPR obtained or investigated increased respectively in the 19th period as a result of conducting proactive information-gathering activities focused on office buildings in Tokyo CBDs, given the property prices hovering in the bottom zone
- JPR conducted negotiations on multiple properties by strictly selecting excellent properties, against the backdrop of the Asset Manager's high sourcing abilities as well as competitive pricing targets based on its high-level analyses
- Agreements were reached on price levels for some properties but did not result in new property acquisitions because of failure to agree on other conditions

Internal Growth: Promotion of tenant solicitation achieved recovery in occupancy rate to a level surpassing beginning-of-period forecast

- Occupancy rate at end of 19th period: 94.7%
Occupancy rate increased by 1.2 percent points over the 18th period, strongly bolstered by the recovery in occupancy rates of office buildings in cities other than Tokyo
- Reinforced coordinated leasing activities with respective property management companies centering on Tokyo Tatemono
- Newly leased spaces in 19th period reached 13,500m², significantly surpassing spaces cancelled in the same period
Major properties achieving new leases: Tokyo Tatemono Honmachi Building (4,569m²), Shinjuku Center Building (1,368m²), Sompo Japan Sendai Building (1,129 m²)

Financial Strategy: Reinforced financial foundations by having all borrowings non-collateralized and expanding the commitment lines

- Ratio of interest-bearing liabilities to total assets at end of 19th period: 45.2%, Ratio of long-term, fixed rate borrowings at end of 19th period: 77.8%
- Issuer rating: R&I AA-, Moody's A2, S&P A
- All borrowings were fully non-collateralized through refinancing and repayment before maturity of collateralized loans
- Expanded the credit limit of the commitment lines from 16 billion yen to 24 billion yen
(Repayment of collateralized loans before maturity and expansion of the commitment lines were conducted in the 20th period ending December 2011)

Statement of Income and Retained Earnings for the 19th Fiscal Period

Lack of proceeds from cancellation penalty, etc. caused revenues to decrease from the 18th fiscal period (ended December 2010), but ordinary income increased due to the effect of improvement (318 million yen) in non-operating income/expenses

Cash distribution slightly decreased from the previous period's level as the impact of the Earthquake caused JPR to record extraordinary loss (64 million yen)

Item		19th Fiscal Period		18th Fiscal Period		Change		
		Jan. 1, 2011 - Jun. 30, 2011		Jul. 1, 2010 - Dec. 31, 2010				
		Amount	%	Amount	%	Amount	%	
Ordinary Income and Loss	Operating Income and Loss	Rental revenues	10,825	93.9%	10,731	90.4%	93	0.9%
		Other rental revenues	704	6.1%	1,138	9.6%	-433	-38.1%
		Rent revenue - real estate (1)	11,529	100.0%	11,870	100.0%	-340	-2.9%
		Operating revenue	11,529	100.0%	11,870	100.0%	-340	-2.9%
		Property and other taxes	1,068	9.3%	975	8.2%	93	9.6%
		Other expenses related to rent business	2,316	20.1%	2,456	20.7%	-140	-5.7%
		Outsourcing expenses	520	4.5%	512	4.3%	8	1.6%
		Utilities expenses	625	5.4%	754	6.4%	-128	-17.1%
		Casualty insurance	28	0.2%	30	0.3%	-2	-7.0%
		Repairs and maintenance	257	2.2%	247	2.1%	10	4.0%
		Property management fees	214	1.9%	213	1.8%		0.5%
		Management association accounts	555	4.8%	553	4.7%	1	0.3%
		Others	114	1.0%	145	1.2%	-30	-21.2%
		Depreciation	1,911	16.6%	1,929	16.3%	-17	-0.9%
		Expenses related to rent business (2)	5,296	45.9%	5,361	45.2%	-64	-1.2%
		Asset management fees	415	3.6%	421	3.6%	-6	-1.4%
		Adm. service/custody fees	71	0.6%	71	0.6%	0	0.0%
		Directors' compensation	6	0.1%	6	0.1%	-	-
		Trust fees	49	0.4%	49	0.4%	0	-0.5%
		Other operating expenses	87	0.8%	73	0.6%	13	18.8%
		Operating expenses	5,926	51.4%	5,983	50.4%	-57	-1.0%
		Operating income	5,603	48.6%	5,886	49.6%	-282	-4.8%
		Profits ((1) - (2))	6,233	54.1%	6,508	54.8%	-275	-4.2%
Net operating income (NOI)	8,144	70.6%	8,438	71.1%	-293	-3.5%		
Non-operating income	51	0.5%	12	0.1%	39	303.3%		
Interest expenses (incl. investment corporation bonds)	1,451	12.6%	1,542	13.0%	-91	-5.9%		
Borrowing expenses	105	0.9%	287	2.4%	-182	-63.3%		
Amortization of investment corporation bond issuance costs	20	0.2%	21	0.2%	0	-4.6%		
Other non-operating expenses	2	0.0%	6	0.1%	-4	-67.9%		
Non-operating expenses	1,580	13.7%	1,859	15.7%	-279	-15.0%		
Ordinary income	4,075	35.3%	4,039	34.0%	35	0.9%		
Extraordinary loss	64	0.6%	-	-	64	-		
Income before income taxes	4,011	34.8%	4,039	34.0%	-28	-0.7%		
Net income	4,010	34.8%	4,039	34.0%	-28	-0.7%		
Unappropriated retained earnings	4,038	35.0%	4,088	34.4%	-50	-1.2%		
Distributions per unit	5,611 yen		5,680 yen		-69 yen			

(JPY mn)

1. Rental revenues

- Properties owned at end of 17th period: -179 mn yen
- Increase by new move-ins: +353 mn yen
- Decrease by cancellation: -449 mn yen
- Increase/decrease by contract revision: -90 mn yen

(Note) The increase/decrease includes variations in 19th period due to factors changed in 18th period

- Properties acquired in 18th period: +272 mn yen

2. Other rental revenues

- Additional charges: -141 mn yen
- Cancellation penalty, etc.: -282 mn yen

3. Expenses related to rent business

- Properties owned at end of 17th period: -184 mn yen
- Properties acquired in 18th period: +119 mn yen

4. Non-operating income

- Settlement of management association accounts: +42 mn yen

5. Interest expenses

- Interest expenses for loans: -82 mn yen
- Interest expenses for investment corporation bonds: -8 mn yen

6. Borrowing expenses

- Fees for prepayment: -155 mn yen

(Note 2) Lack of fees for repayment before maturity, which had been paid to the lenders associated with partial repayment of borrowings before maturity in 18th period

7. Extraordinary loss

- Restoration expenses, etc. associated with the Earthquake: +64 mn yen

(includes 3 million yen for provision of allowance for disaster loss)

(Note 1) With regard to the cash distributions for the 18th and 19th fiscal periods, JPR includes part of the retained earnings brought forward that were internally reserved through the previous fiscal period, with the aim of having the profit distributions deducted as expenses based on application of the special provision on taxation of investment corporations (Article 67-15 of the Act on Special Measures Concerning Taxation) and in order to minimize the burden to unitholders incurred by accrual of income taxes, etc., and distributes the amount that is an integral multiple of the number of investment units outstanding as profit distributions.

(Note 2) Amounts have been rounded down to the nearest specified unit; the percentages and the changes have been rounded to the first decimal place.

Comparison of Actual Results and Forecasts for the 19th Fiscal Period (Ended June 2011)

Operating income and ordinary income surpassed beginning-of-period forecast, and cash distribution kept its level despite recording of extraordinary loss

(JPY mn)

Item	19th Fiscal Period Jan. 1, 2011 - Jun. 30, 2011		19th Fiscal Period Forecasts Jan. 1, 2011 - Jun. 30, 2011		Change from 19th Period Forecasts	
	Amount	%	Amount	%	Amount	%
Rental revenues	10,825	93.9%	10,808	94.1%	17	0.2%
Other rental revenues	704	6.1%	682	5.9%	21	3.2%
Rent revenue - real estate (1)	11,529	100.0%	11,490	100.0%	38	0.3%
Operating revenue	11,529	100.0%	11,490	100.0%	38	0.3%
Property and other taxes	1,068	9.3%	1,049	9.1%	18	1.8%
Other expenses related to rent business	2,316	20.1%	2,323	20.2%	-7	-0.3%
Outsourcing expenses	520	4.5%	517	4.5%	2	0.5%
Utilities expenses	625	5.4%	674	5.9%	-49	-7.3%
Casualty insurance	28	0.2%	31	0.3%	-2	-7.8%
Repairs and maintenance	257	2.2%	214	1.9%	43	20.3%
Property management fees	214	1.9%	211	1.8%	3	1.4%
Management association accounts	555	4.8%	556	4.8%	-1	-0.2%
Others	114	1.0%	118	1.0%	-3	-3.1%
Depreciation	1,911	16.6%	1,917	16.7%	-5	-0.3%
Expenses related to rent business (2)	5,296	45.9%	5,290	46.0%	5	0.1%
Asset management fees	415	3.6%	414	3.6%	0	0.2%
Adm. service/custody fees	71	0.6%	73	0.6%	-2	-3.4%
Directors' compensation	6	0.1%	6	0.1%	—	—
Trust fees	49	0.4%	49	0.4%	0	-0.2%
Other operating expenses	87	0.8%	103	0.9%	-16	-16.0%
Operating expenses	5,926	51.4%	5,938	51.7%	-12	-0.2%
Operating income	5,603	48.6%	5,551	48.3%	51	0.9%
Profits ((1) - (2))	6,233	54.1%	6,200	54.0%	33	0.5%
Net operating income (NOI)	8,144	70.6%	8,117	70.6%	27	0.3%
Non-operating income	51	0.5%	42	0.4%	9	23.6%
Interest expenses (incl. investment corporation bonds)	1,451	12.6%	1,461	12.7%	-10	-0.7%
Borrowing expenses	105	0.9%	103	0.9%	2	2.1%
Amortization of investment corporation bond issuance costs	20	0.2%	20	0.2%	0	0.5%
Other non-operating expenses	2	0.0%	2	0.0%	0	-21.6%
Non-operating expenses	1,580	13.7%	1,588	13.8%	-8	-0.6%
Ordinary income	4,075	35.3%	4,005	34.9%	70	1.8%
Extraordinary loss	64	0.6%	—	—	64	—
Income before income taxes	4,011	34.8%	4,005	34.9%	6	0.2%
Net income	4,010	34.8%	4,004	34.8%	6	0.2%
Unappropriated retained earnings	4,038	35.0%	4,031	35.1%	6	0.2%
Distributions per unit	5,611 yen		5,600 yen		11 yen	

1. Rent revenue - real estate
- Increase by new move-ins: + 20 mn yen
 - Decrease by cancellation: - 28 mn yen
 - Increase/decrease by contract revision: + 29 mn yen

(Note) The increase/decrease includes variations in 19th period due to factors changed in 18th period)

2. Other rent revenue
- Additional charges: - 48 mn yen
 - Cancellation penalty, etc.: + 64 mn yen

3. Extraordinary loss
- Restoration expenses, etc. associated with the Earthquake: + 64 mn yen
(includes 3 million yen for provision of allowance for disaster loss)

(Note 1) The forecasts for the 19th fiscal period were those released at the results announcement for the 18th fiscal period (ended December 31, 2010). They were calculated on the basis of 56 properties JPR owned as of the end of the 18th fiscal period.

(Note 2) Amounts have been rounded down to the nearest specified unit; the percentages and the changes have been rounded to the first decimal place.

Forecast for the 20th Fiscal Period

Rent revenue – real estate will continue to recover after bottoming out in the 18th fiscal period (ended December 2010), increasing by 80 million yen over the 19th period

Both operating income and ordinary income will increase period-on-period; distribution per unit is anticipated to recover to 5,700 yen

Item		19th Fiscal Period		20th Fiscal Period Forecast		Change	
		Jan. 1, 2011 - Jun. 30, 2011		Jul. 1, 2011 - Dec. 31, 2011		(JPY mn)	
		Amount	%	Amount	%	Amount	%
Operating Income and Loss	Rental revenues	10,825	93.9%	10,905	93.3%	80	0.7%
	Other rental revenues	704	6.1%	788	6.7%	84	12.0%
	Rent revenue - real estate (1)	11,529	100.0%	11,694	100.0%	164	1.4%
	Operating revenue	11,529	100.0%	11,694	100.0%	164	1.4%
	Property and other taxes	1,068	9.3%	1,061	9.1%	-7	-0.7%
	Other expenses related to rent business	2,316	20.1%	2,496	21.4%	180	7.8%
	Outsourcing expenses	520	4.5%	514	4.4%	-6	-1.2%
	Utilities expenses	625	5.4%	736	6.3%	111	17.8%
	Casualty insurance	28	0.2%	29	0.3%	0	3.4%
	Repairs and maintenance	257	2.2%	323	2.8%	65	25.4%
	Property management fees	214	1.9%	215	1.8%	1	0.7%
	Management association accounts	555	4.8%	555	4.7%	0	0.0%
	Others	114	1.0%	122	1.0%	7	6.7%
	Depreciation	1,911	16.6%	1,830	15.7%	-80	-4.2%
	Expenses related to rent business (2)	5,296	45.9%	5,388	46.1%	92	1.7%
	Asset management fees	415	3.6%	419	3.6%	3	0.9%
	Adm. service/custody fees	71	0.6%	75	0.6%	4	6.2%
	Directors' compensation	6	0.1%	6	0.1%	-	-
	Trust fees	49	0.4%	46	0.4%	-3	-6.5%
	Other operating expenses	87	0.8%	116	1.0%	29	33.3%
Operating expenses	5,926	51.4%	6,052	51.8%	126	2.1%	
Operating income	5,603	48.6%	5,641	48.2%	38	0.7%	
Profits ((1) - (2))	6,233	54.1%	6,305	53.9%	72	1.2%	
Net operating income (NOI)	8,144	70.6%	8,136	69.6%	-8	-0.1%	
Non-operating income	51	0.5%	3	0.0%	-48	-94.2%	
Interest expenses (incl. investment corporation bonds)	1,451	12.6%	1,402	12.0%	-49	-3.4%	
Borrowing expenses	105	0.9%	146	1.2%	40	38.2%	
Amortization of investment corporation bond issuance costs	20	0.2%	18	0.2%	-2	-13.9%	
Other non-operating expenses	2	0.0%	1	0.0%	0	-9.6%	
Non-operating expenses	1,580	13.7%	1,568	13.4%	-11	-0.8%	
Ordinary income	4,075	35.3%	4,076	34.9%	1	0.0%	
Extraordinary loss	64	0.6%	-	-	-64	-	
Income before income taxes	4,011	34.8%	4,076	34.9%	65	1.6%	
Net income	4,010	34.8%	4,075	34.9%	64	1.6%	
Unappropriated retained earnings	4,038	35.0%	4,101	35.1%	63	1.6%	
Distributions per unit	5,611 yen		5,700 yen		89 yen		
	(715,000 units)		(715,000 units)		(-unit)		

1. Rent revenue - real estate	
• Increase by new move-ins:	+ 386 mn yen
• Decrease by cancellation:	- 237 mn yen
• Increase/decrease by contract revision:	- 80 mn yen
(Note) The increase/decrease includes variations in 20th period due to factors changed in 19th period	

2. Other rent revenue	
• Incidental charges:	+ 124 mn yen
• Cancellation penalty, etc.:	- 23 mn yen
• Conference room rental fees:	- 12 mn yen

3. Expenses related to rent business	
• Utilities expenses:	+ 111 mn yen
• Repairs and maintenance:	+ 65 mn yen
<small>(Renewal of common space at Shirajuku Center Building: 68 mn yen, and others)</small>	
• Depreciation:	- 80 mn yen
<small>(Kawaguchi Center Building: -44 mn yen, Tanashi ASTA: -30 mn yen, and others)</small>	

4. Non-operating income	
• Settlement of management association accounts:	- 42 mn yen

5. Interest expenses	
• Interest expenses for loans:	- 31 mn yen
• Interest expenses for investment corporation bonds:	- 17 mn yen

6. Borrowing expenses	
• Depreciation of commitment line fees:	+ 16 mn yen
<small>(Expenses associated with expansion of the credit limit of commitment lines)</small>	
• Fees for prepayment:	+ 22 mn yen
<small>(Recorded fees for repayment before maturity, which will be paid to the lenders associated with partial repayment of borrowings before</small>	

Assumptions for the 20th Fiscal Period Forecast

- Portfolio as of end of 19th fiscal period: 56 properties
- Average Monthly Occupancy during Period: 94.4%
(Exclusively includes already notified cancellations, newly concluded contracts and confirmed move-ins)
- Total units outstanding: 715,000 units
- LTV ratio 48.3%(as of end of the 20th period)
(LTV ratio = Interest-bearing liabilities / (Interest-bearing liabilities + Unitholders' capital))

(Note 1) The forecasts for the 20th fiscal period were calculated based on the above "Assumptions for the 20th Fiscal Period Forecast." Actual operating revenue, ordinary income, net income and cash distributions per unit may change as a result of the acquisition of new properties or the sale of owned properties, etc. Furthermore, the forecasts are in no way a guarantee of cash distribution amounts. For details on the Assumptions for the 20th Fiscal Period Forecasts, please refer to the "Assumptions for the 20th Fiscal Period Forecast (July 1, 2011 - December 31, 2011)" of the "Japan Prime Realty Investment Corporation 19th Fiscal Period Results (January 1, 2011 - June 30, 2011)"

(Note 2) Amounts have been rounded down to the nearest specified unit; the percentages and the changes have been rounded to the first decimal place.

[Reference] Forecasts of Rent Revenue – Real Estate and Expenses Related to Rent Business for the 21st Fiscal Period

Rent revenue will decrease period-on-period because of delayed recovery in the real estate rental market, but ordinary income and distributions are anticipated to increase period-on-period due to improvement in non-operating income/expenses

Item		20th Fiscal Period Forecast		21st Fiscal Period Forecast		Change from the 20th Fiscal Period Forecast	
		Jul. 1, 2011 - Dec. 31, 2011		Jan. 1, 2012 - Jun. 30, 2012		(JPY mn)	
		Amount	%	Amount	%	Amount	%
Real Estate Rent Revenue and Expenses	Rental revenues	10,905	93.3%	10,831	94.0%	-74	-0.7%
	Other rental revenues	788	6.7%	694	6.0%	-93	-11.9%
	Rent revenue - real estate (1)	11,694	100.0%	11,526	100.0%	-168	-1.4%
	Property and other taxes	1,061	9.1%	1,067	9.3%	6	0.6%
	Other expenses related to rent business	2,496	21.4%	2,409	20.9%	-87	-3.5%
	Outsourcing expenses	514	4.4%	514	4.5%	0	0.2%
	Utilities expenses	736	6.3%	680	5.9%	-56	-7.7%
	Casualty insurance	29	0.3%	30	0.3%	0	1.0%
	Repairs and maintenance	323	2.8%	283	2.5%	-40	-12.4%
	Property management fees	215	1.8%	215	1.9%	0	0.0%
	Management association accounts	555	4.7%	555	4.8%	0	0.0%
	Others	122	1.0%	130	1.1%	8	6.6%
	Depreciation	1,830	15.7%	1,763	15.3%	-66	-3.7%
	Expenses related to rent business (2)	5,388	46.1%	5,241	45.5%	-147	-2.7%
Profits ((1) - (2))	6,305	53.9%	6,285	54.5%	-20	-0.3%	
Net operating income (NOI)	8,136	69.6%	8,048	69.8%	-87	-1.1%	
Capital expenditure	906	7.8%	938	8.1%	31	3.4%	
Net cash flow (NCF)	7,229	61.8%	7,110	61.7%	-118	-1.6%	

1. Rent revenue - real estate	
• Increase by new move-ins, etc.:	+214 mn yen
• Decrease by cancellation:	-178 mn yen
• Increase/decrease by contract revision:	-97 mn yen
<small>(Note) The increase/decrease includes variations in 20th period due to factors changed in 19th period)</small>	

2. Other rent revenue	
• Incidental charges:	-53 mn yen
• Cancellation penalty, etc.:	-43 mn yen

3. Expenses related to rent business	
• Utilities expenses:	-56 mn yen
• Repairs and maintenance:	-40 mn yen
• Depreciation:	-66 mn yen
<small>(Shinjuku Square Tower: -38 mn yen, Housing Design Center Kobe: -28 mn yen, and others)</small>	

Assumptions for the 21st Fiscal Period Forecast

- Portfolio as of end of 19th fiscal period: 56 properties
- Average Monthly Occupancy during Period: 95.3%
(Anticipates move-ins of some new tenants in addition to the forecast for the 20th period)
- Total Capital Expenditures: 938 mn yen
Major constructions with capital expenditures

Renewal of common space at	
Shinjuku Center Building:	188 mn yen
Renewal of air-conditioning systems	
at BYGS Shinjuku Building:	148 mn yen
Renewal of common space at	
Kanematsu Building:	110 mn yen

The forecasts of rent revenue – real estate and expenses related to the rent business for the 21st fiscal period were calculated based on the above “Assumptions for the 21st Fiscal Period Forecast.” Actual rent revenue – real estate, expenses related to the rent business, profits, net operating income (NOI), net cash flow and other figures may change as a result of the acquisition of new properties or the sale of owned properties, etc.

(Note) Amounts have been rounded down to the nearest specified unit; the percentages and the changes have been rounded to the first decimal place.

Balance Sheet as of the End of the 19th Fiscal Period

Reinforced financial foundations by having all borrowings non-collateralized and expanding the commitment lines

Item	As of Jun. 30, 2011		As of Dec. 31, 2010		Change	
	Amount	%	Amount	%	Amount	%
	(JPY mn)					
Assets						
Current assets	28,817	8.0%	28,396	7.9%	421	1.5%
Cash and deposits	14,619	4.1%	14,090	3.9%	528	3.8%
Cash and deposits in trust	13,832	3.8%	13,934	3.9%	-101	-0.7%
Other current assets	366	0.1%	371	0.1%	-5	-1.4%
Noncurrent assets	331,057	92.0%	332,357	92.1%	-1,300	-0.4%
Property, plant and equipment	325,739	90.5%	327,008	90.6%	-1,268	-0.4%
Real estate	147,879	41.1%	148,220	41.1%	-340	-0.2%
Buildings and structures	44,673	12.4%	45,044	12.5%	-370	-0.8%
Land	103,206	28.7%	103,175	28.6%	30	0.0%
Real estate in trust	177,859	49.4%	178,788	49.5%	-928	-0.5%
Buildings and structures	57,368	15.9%	58,297	16.2%	-928	-1.6%
Land	120,491	33.5%	120,491	33.4%	—	—
Intangible assets	4,802	1.3%	4,798	1.3%	3	0.1%
Leasehold rights	4,794	1.3%	4,794	1.3%	—	—
Other intangible assets	8	0.0%	4	0.0%	3	86.9%
Investments and other assets	515	0.1%	550	0.2%	-35	-6.5%
Lease and guarantee deposits	49	0.0%	49	0.0%	—	—
Others	465	0.1%	501	0.1%	-35	-7.1%
Deferred assets	129	0.0%	150	0.0%	-20	-13.9%
Investment corporation bond issuance costs	129	0.0%	150	0.0%	-20	-13.9%
Total assets	360,004	100.0%	360,904	100.0%	-899	-0.2%
Liabilities						
Current liabilities	40,279	11.2%	46,622	12.9%	-6,342	-13.6%
Accounts payable - other	2,526	0.7%	2,189	0.6%	336	15.4%
Advances received	1,599	0.4%	1,498	0.4%	100	6.7%
Short-term loans payable	10,000	2.8%	10,000	2.8%	—	—
Current portion of long-term loans payable	21,116	5.9%	24,899	6.9%	-3,783	-15.2%
Current portion of investment corporation bonds	5,000	1.4%	8,000	2.2%	-3,000	-37.5%
Allowance for disaster loss	3	0.0%	—	—	3	—
Others	35	0.0%	35	0.0%	—	—
Noncurrent liabilities	144,272	40.1%	138,779	38.5%	5,493	4.0%
Tenant leasehold and security deposits	17,625	4.9%	17,774	4.9%	-148	-0.8%
Long-term loans payable	84,147	23.4%	78,505	21.8%	5,642	7.2%
Investment corporation bonds	42,500	11.8%	42,500	11.8%	—	—
Total Liabilities	184,552	51.3%	185,402	51.4%	-849	-0.5%
Unitholders' equity						
Unitholders' capital	171,339	47.6%	171,339	47.5%	—	—
Surplus	4,112	1.1%	4,162	1.2%	-50	-1.2%
Total unitholders' equity	175,452	48.7%	175,502	48.6%	-50	-0.0%
Total liabilities and unitholders' equity	360,004	100.0%	360,904	100.0%	-899	-0.2%

	End of 19th Period		End of 18th Period	Change
1. Balance of interest-bearing debt				
Total	162,763	163,904	-1,141	
Unsecured loans payable	110,863	104,221	6,642	
Secured loans payable	4,400	9,183	-4,783	
Unsecured investment corporation bonds	47,500	50,500	-3,000	
<small>(Note) 4,400 mn yen in collateralized loans were repaid before maturity on July 8, 2011. Borrowings were all uncollateralized as of August 15, 2011.</small>				

	End of 19th Period		End of 18th Period	Change (P)
2. Interest-bearing debt ratio, etc.				
(1) Interest-bearing debt ratio				
Interest-bearing debt / (Interest-bearing debt + Unitholders' capital)	48.7%	48.9%	-0.2	
(2) Interest-bearing debt to total assets				
1) Interest-bearing debt / Total assets at end of period	45.2%	45.4%	-0.2	
2) Interest-bearing debt / (Total assets at end of period + Gains or losses from real estate valuation)	47.5%	47.5%	-0.0	
(3) Long-term fixed-rate interest-bearing debt ratio				
Long-term fixed-rate interest-bearing debt (*) / Interest-bearing debt	77.8%	73.8%	4.0	
<small>*Total amount of long-term fixed-rate debt with over 1 year to maturity</small>				

	End of 19th Period		End of 18th Period	Change
3. Commitment line status				
1) Credit limit (total)	16,000	16,000	—	
2) Outstanding debt	—	—	—	
3) Unused commitment line	16,000	16,000	—	
4) Lenders (at the end of the 19th fiscal period; agreements concluded separately with respective banks below)				
Mizuho Corporate Bank, The Bank of Tokyo-Mitsubishi UFJ,				
Resona Bank, Mitsubishi UFJ Trust and Banking				
<small>(Note) New agreements were concluded with Sumitomo Mitsui Banking for 4 billion yen and with Aozora Bank for 4 billion yen (8 billion yen in total) as of June 29, 2011. The credit limit (total amount) as of August 15, 2011 stands at 24 billion yen (all unused).</small>				

	End of 19th Period		End of 18th Period	Change
4. Investment unit status				
1) Total number of units outstanding (units)	715,000	715,000	—	
2) Net assets per unit (yen)	245,387	245,458	-71	



Japan Prime Realty Investment Corporation

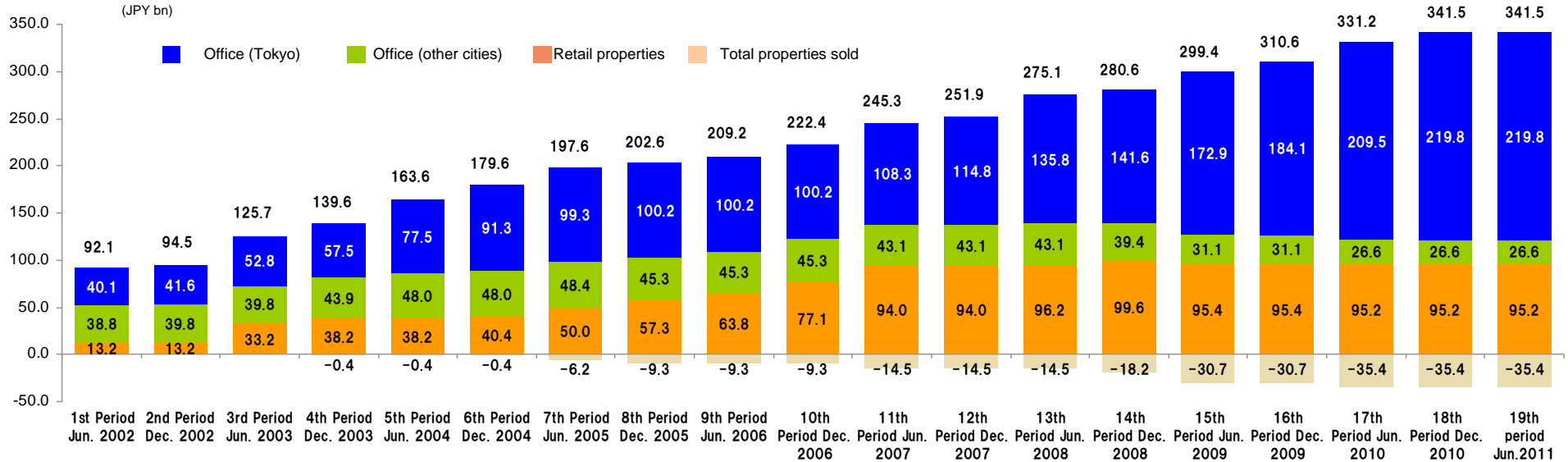
Management Results of the 19th Fiscal Period
(Ended June 2011)

19th

History of Portfolio Growth

JPR has expanded its assets at a stable pace since listing

History of Growth of Portfolio Size



(Note) Portfolio sizes have been rounded down to 100 million yen.

Portfolio Management Guidelines

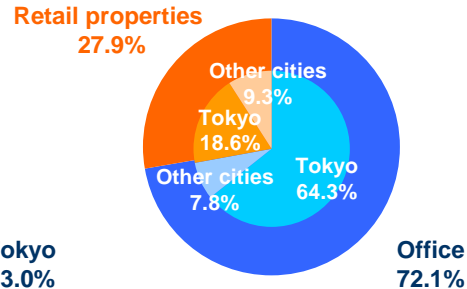
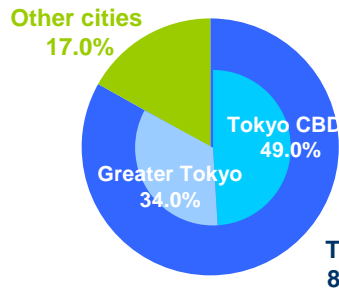
Investment Target by Area

Tokyo 80-90%; Other cities: 20-10%

Investment Target by Asset Class

Office: 70-90%; Retail: 30-10%

(as of August 15, 2011)



Properties Acquired in the Past Two Years

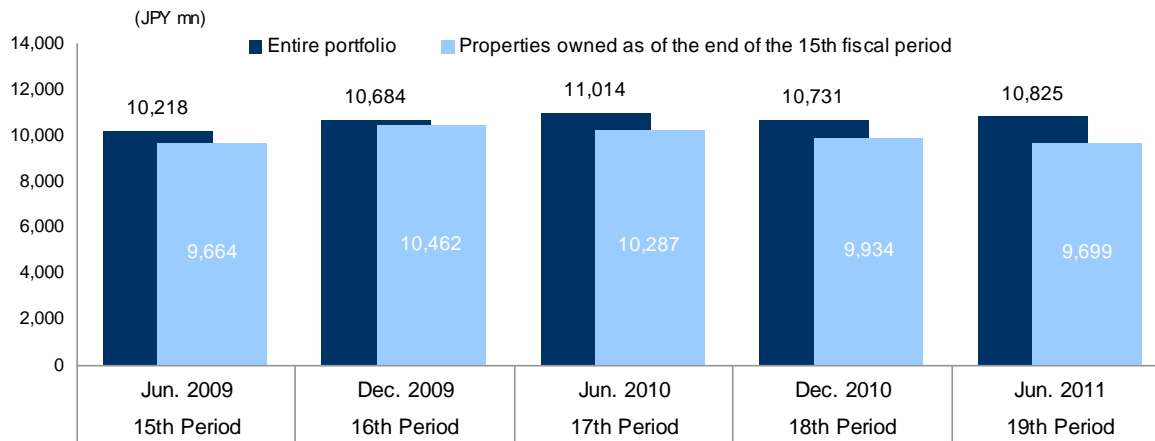
Acquired 8 office buildings in Tokyo totaling approximately JPY 80bn

Fiscal Period	Acquisition Date	Area	Asset Type	Property Name	Seller	Acquisition Price (JPY bn)	Assumed NOI upon Acquisition	Assumed NOI 20th Period
15th	Jun. 2009	Greater Tokyo	Office	Olinas Tower	Tokyo Tatemono Co., Ltd. and others	31.30	5.4%	5.7%
16th	Dec. 2009	Tokyo CBDs	Office	Rokubancho Building	Domestic special purpose company	2.80	7.1%	7.4%
	Dec. 2009	Tokyo CBDs	Office	Ryoshin Harajuku Building	TOKYU REIT, Inc.	8.40	5.3%	4.0%
17th	Feb. 2010	Tokyo CBDs	Office	Tokyo Tatemono Kyobashi Building	Tokyo Tatemono Co., Ltd.	5.25	5.4%	5.6%
	Mar. 2010	Tokyo CBDs	Office	JPR Nihonbashi-horidome Building	Domestic special purpose company	5.10	5.9%	6.4%
	May 2010	Tokyo CBDs	Office	JPR Sendagaya Buildings	Sendagaya Kaihatsu Tokutei Mokuteki Kaisha (SPC operated by Tokyo Central General Development Co., Ltd.)	15.05	4.0%	2.7%
18th	Jul. 2010	Tokyo CBDs	Office	BYGS Shinjuku Building (additional acquisition)		3.30	5.2%	3.9%
	Dec. 2010	Greater Tokyo	Office	Tokyo Tatemono Yokohama Building	Tokyo Tatemono Co., Ltd.	7.00	5.9%	6.7%
Total						78.20		

Changes in Rent Revenue and Unit Rent

Rent revenue on a same-store basis is on a decreasing trend, but decreases in average rent tend to decelerate

Changes in Rent Revenue (from Properties Owned as of the End of the 15th Period)

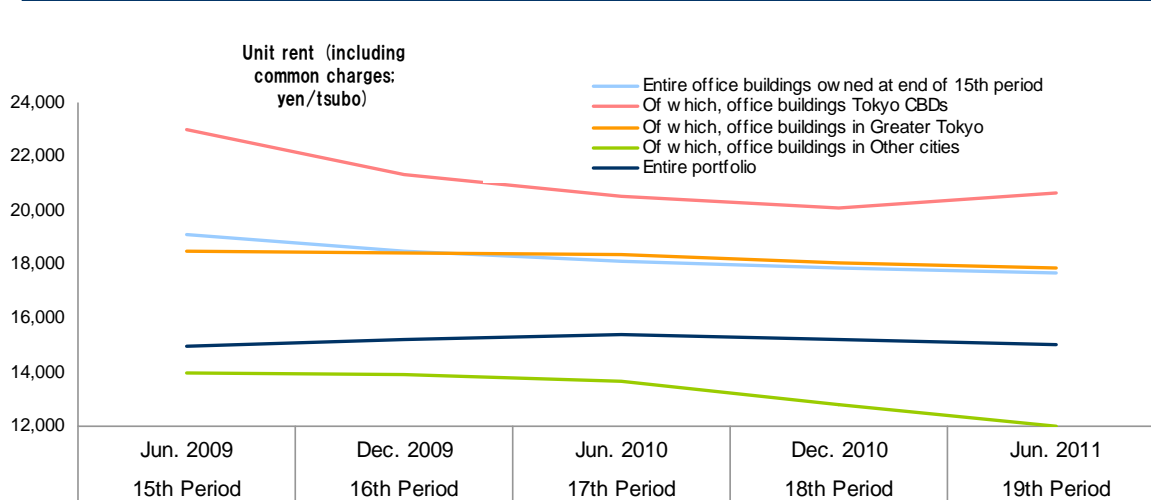


	(JPY mn)				
	15th Period	16th Period	17th Period	18th Period	19th Period
	2009.6	2009.12	2010.6	2010.12	2011.6
Entire portfolio	10,218	10,684	11,014	10,731	10,825
Properties owned as of the end of the 15th fiscal period	9,664	10,462	10,287	9,934	9,699
Period-on-period change (value)	-	798	-175	-353	-235
Period-on-period change (rate)	-	8.3%	-1.7%	-3.4%	-2.4%

(Note 1) The "properties owned as of the end of the 15th fiscal period" in the graph to the left represent properties that JPR continuously owns since the end of the 15th fiscal period excluding those replaced through transactions up to the 19th fiscal period. The indicated figures of rent revenue are the sum of rents, common charges, parking rates and other revenues (excluding such variable revenues as incidental income) for these properties. As for the "entire portfolio," the indicated figures are the sum of rents, common charges, parking rates and other revenues (excluding such variable revenues as incidental income) for all properties owned in respective fiscal periods (including properties that were sold during the periods).

(Note 2) Values have been rounded down to million yen, and the rates of period-on-period change have been rounded to the first decimal place.

Changes in Average Rent of Office Buildings (for Properties Owned as of the End of the 15th Period)



	(JPY thousand/tsubo)				
	15th Period	16th Period	17th Period	18th Period	19th Period
	Jun. 2009	Dec. 2009	Jun. 2010	Dec. 2010	Jun. 2011
Entire portfolio	15.0	15.2	15.4	15.2	15.0
		1.9%	0.9%	-1.2%	-1.0%
Entire office buildings owned at end of 15th period	19.1	18.5	18.1	17.9	17.7
	-	-3.3%	-1.9%	-1.3%	-1.2%
Of which, office buildings Tokyo CBDs	23.0	21.3	20.6	20.1	20.6
	-	-7.2%	-3.6%	-2.2%	2.7%
Of which, office buildings in Greater Tokyo	18.5	18.4	18.3	18.0	17.9
	-	-0.5%	-0.4%	-1.6%	-0.8%
Of which, office buildings in Other cities	14.0	13.9	13.7	12.8	12.0
	-	-0.5%	-1.9%	-6.2%	-6.1%

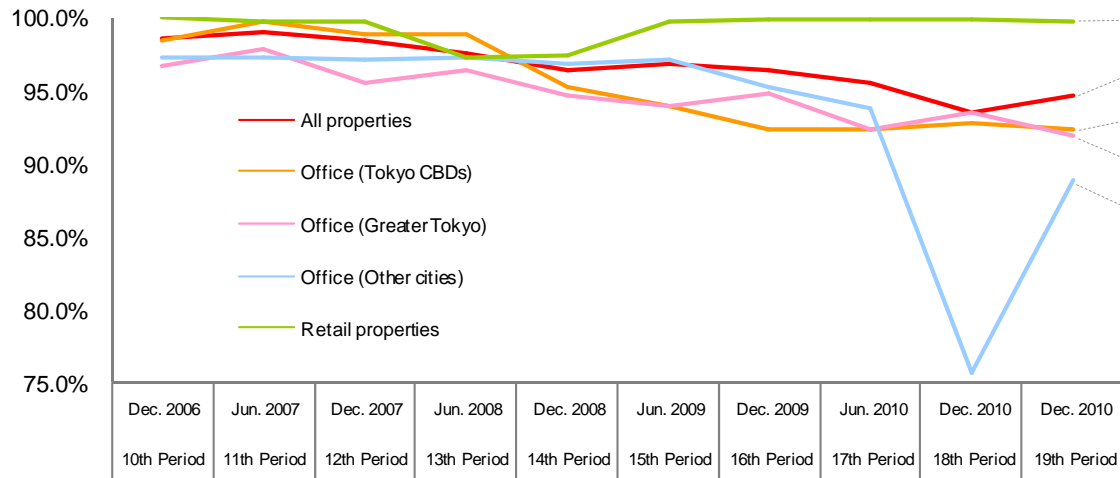
(Note 1) The "Properties owned as of the end of the 15th fiscal period" in the graph to the left represent office buildings which JPR continuously owns since the end of the 15th fiscal period excluding those replaced through transactions up to the 19th fiscal period. The indicated figures are the average unit rents (monthly rent revenue per tsubo of occupied spaces including common charges per month) for these. The "Entire portfolio" represents the average unit rent (unit rent per tsubo of monthly rent revenue of occupied spaces including common charges at the end of respective periods) of all properties owned in respective periods (including those acquired or sold during the period).

(Note 2) The period-on-period figures have been rounded to the first decimal place.

Changes in Occupancy Rates and Contract Changes

Average occupancy rate improved significantly, up 1.2% over the 18th fiscal period, with newly leased spaces surpassing cancelled spaces

Changes in Period-End Occupancy Rates of Properties by Asset Class and by Location

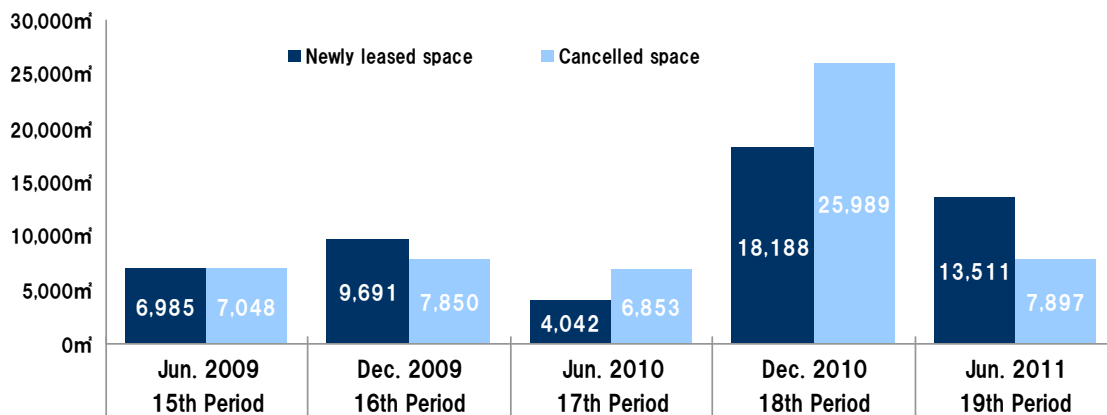


- Average occupancy rate of **the entire portfolio** increased due to improved occupancies in office buildings in other cities at the end of 18th period: 93.5%
⇒ at the end of 19th period: 94.7% (up 1.2 percent points period-on-period)
- **Office buildings in the Tokyo CBDs** had newly leased spaces surpassing cancelled spaces, but their occupancy rate decreased slightly due to the increase in the leasable area (by approx. 900 m² or equivalent to 0.8% of total leasable area) at the end of 18th period: 92.8%
⇒ at the end of 19th period: 92.4% (down 0.4 percent points period-on-period)
- **Office buildings in Greater Tokyo** at the end of 18th period: 93.5%
⇒ at the end of 19th period: 91.9% (down 1.6 percent points period-on-period)
- **Office buildings in Other cities** increased significantly due to lease-ups at Tokyo Tatemono Honmachi Building and JPR Nagoya Fushimi Building at the end of 18th period: 75.6%
⇒ at the end of 19th period: 88.9% (up 13.3 percent points period-on-period)
- **Retail properties** showed stable operations at the end of 18th period: 99.9%
⇒ at the end of 19th period: 99.8% (down 0.1 percent points period-on-period)

(Note 1) Indicated occupancy rates are as of the end of June 2011, calculated on the basis of the lease conditions as of the same date for properties JPR owned as of the same date.

(Note 2) Figures have been rounded to the first decimal place.

Changes in Contract Changes



- JPR significantly expanded newly leased floors and endeavored to prevent move-outs, based on the policy of placing top priority on maintaining and improving the occupancy rate.
- In the 19th fiscal period, newly leased spaces were larger than cancelled spaces by 5,614m².

	Newly leased space	Cancelled space	Newly leased space – cancelled space
15th Period	6,985m ²	7,048m ²	-63m ²
16th Period	9,691m ²	7,850m ²	1,841m ²
17th Period	4,042m ²	6,853m ²	-2,811m ²
18th Period	18,188m ²	25,989m ²	-7,801m ²
19th Period	13,511m ²	7,897m ²	5,614m ²

Endeavors on Leasing

Achieved new leases before long for 2 office buildings in other cities that had cancellations by large tenants in the 18th fiscal period ended December 2010

Tokyo Tatemono Honmachi Building

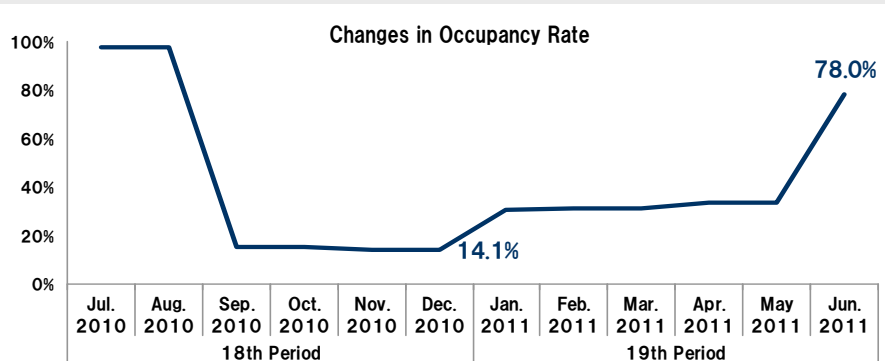
Honmachi, Chuo Ward, Osaka City
 Completed in Feb. 1970, SRC, B3/9F
 Total floor space: 14,619.52m²
 Unit ownership: 7,709.76m²
 Leasable area of a standard floor:
 approx. 300 tsubos



Before new leases		After new leases	
9F	Vacant space	9F	Vacant space
8F	Vacant space	8F	Occupied space
7F	Vacant space	7F	Occupied space
6F	Vacant space	6F	Occupied space
5F	Vacant space	5F	Occupied space
4F	Occupied space Vacant space	4F	Occupied space Vacant space
3F	Other unit ownership	3F	Other unit ownership
2F		2F	
1F		1F	
B1	Occupied space Vacant space	B1	Occupied space Vacant space
B2	Repository	B2	Repository

JPR's unit ownership (5F-9F)

Good location and access as well as large and regular floor shape met tenant needs, enabling new leases primarily to large tenants on a through-floor basis



JPR Nagoya Fushimi Building

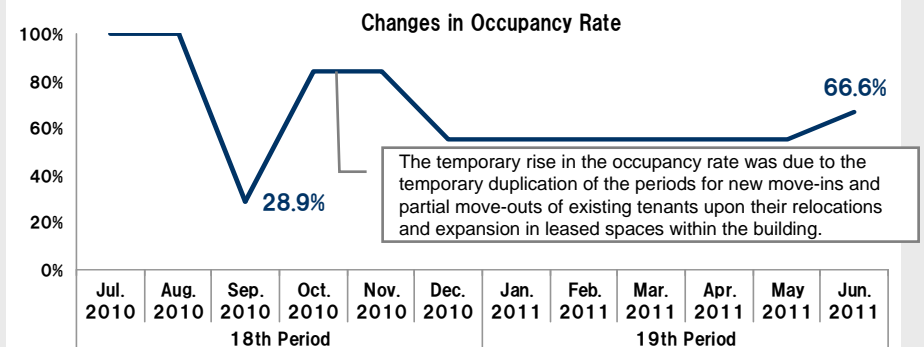
Sakae, Naka Ward, Nagoya City
 Completed in Mar. 1991, SRC, B1/9F
 Total floor space: 10,201.44 m²
 Leasable area of a standard floor: approx. 250 tsubos



Before new leases		After new leases	
9F	Vacant space	9F	Occupied space
8F	Vacant space	8F	Occupied space
7F	Vacant space	7F	Occupied space
6F	Vacant space	6F	Occupied space
5F	Vacant space	5F	Occupied space
4F	Occupied space	4F	Negotiations with tenant under way
3F	Occupied space	3F	Negotiations with tenant under way
2F	Occupied space Vacant space	2F	Negotiations with tenant under way
1F	Vacant space	1F	Occupied space
B1	Vacant space	B1	Occupied space

Such factors as good access to express ways and full availability of large-scale parking lots met the needs of tenants who value vehicle convenience

For existing tenants, a variety of proposals were made in our marketing efforts, which resulted in their relocation with expanded leased floors within the building.



Impact of the Great East Japan Earthquake

No damage that may materially impact JPR's operating results occurred; anti-seismic devices against long-period earthquake ground motion proved effective at Shinjuku Center Building

Earthquake Resistance Standards and PML

- JPR makes it a policy to invest only in buildings that meet new earthquake-resistance standards or for which earthquake-resistance reinforcement work has been completed.
- The decision to cover earthquake insurance shall be made in light of comparisons between the potential impact of the disaster and property insurance premiums based on the PML for the entire portfolio. Earthquake insurance may be purchased individually for properties that have high PML.

PML (Probable Maximum Loss) indicates the degree of damage to a building caused by an assumed earthquake of maximum magnitude (that could happen once every 475 years, or once every 50 years with 10% probability) during the expected use period of the building (50 years as the useful life of a standard building). The figure is presented as the proportion (%) of the expected restoring cost against the price to re-acquire the building (replacement cost).

JPR's portfolio PML against earthquake

3.5%

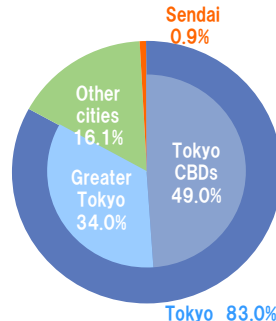
(as of the end of June 2011)

Replacement cost 155,049 million yen
Probable loss 5,363 million yen

Impact on the Portfolio

- Breakdown of the portfolio by area (acquisition price basis)

		Acquisition price (million yen)	Percentage
Tokyo	Tokyo CBDs	167,126	49.0%
	Greater Tokyo	116,231	34.0%
Other cities	Others	55,077	16.1%
	Sendai	3,150	0.9%
Total		341,584	100.0%



- No damage that may materially impact the operating results occurred at any of the 56 properties owned by JPR.
- Restoration and other costs have accrued in accordance with the damages to interior fittings, facilities, etc. at 30 properties out of the entire properties

Total restoration cost: 64 million yen (approx. 0.018% of total acquisition price)

*Decreased from the estimated restoration cost (82 million yen) announced on April 8, 2011

Amounts implemented in the 19th period ended June 2011: 61 million yen
Amounts planned for implementation in the 20th period ending December 2011: 3 million yen

Recorded allowance for disaster loss for the 19th period

Effect of Countermeasure against Long-period Earthquake Ground Motion at Shinjuku Center Building

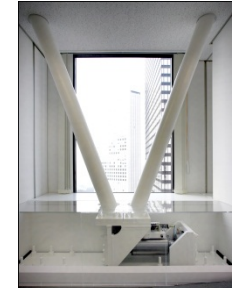
Renovations for anti-seismic reinforcement were implemented at Shinjuku Center Building (construction completed in 1979) as a countermeasure for long-period earthquake ground motion, with Taisei Corporation, one of JPR's sponsors, conducting design and construction

<Overview of anti-seismic reinforcement construction>

- Anti-seismic capacity was enhanced by installing seismic dampers
- Seismic dampers were introduced primarily at floors having larger story drift angles and floors having larger accumulated fatigue of reinforced concrete flexible anti-seismic walls
- 12 units were installed at each floor of the 15th to the 6th floors and of the 28th to the 39th floors (288 units in total)



Shinjuku Center Building



Newly installed seismic damper

What is long-period earthquake ground motion?

A long-period earthquake ground motion means vibration with a cycle of motion ranging from about 2 to 20 seconds, and is different from the ordinary motion occurring upon the outbreak of an earthquake. It is pointed out that a long-period ground motion tends to coincide with the specific period of motion of ultra-skyscraper buildings, but there has been no legal systems established for building standards against long-period earthquake ground motions and no countermeasures have been taken at the design stage. As such, there are concerns about possible impacts on ultra-skyscraper buildings. The Tohoku - off the Pacific Coast Earthquake that broke out in March 2011 caused a long-period earthquake ground motion, and large vibrations were observed at higher floors of ultra-skyscraper buildings.

Anti-seismic devices successfully reduced maximum distortion by 22% and maximum acceleration by 29%

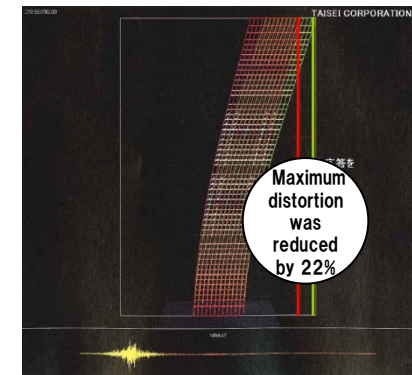
Installation of anti-seismic devices helped reduce the maximum response value and shorten the duration of the motion. The installed dampers effectively reduced the maximum distortion in the direction of the shorter side of the top floor by around 22%, from 69.8cm to 54.2cm, and reduced the maximum acceleration value in the direction of the shorter side by 29%. The time needed for the amplitude of the post-quake shake to be halved was also halved.

Observation results at Shinjuku Center Building

	Seismic intensity scale (measured)	Maximum acceleration (gal)		Maximum distortion		
		(longer side)	(shorter side) (vertical)	(longer side)	(shorter side)	
ooftop flo		236.0	161.3	-	49.4	54.2
28th floor		112.7	171.3	-	26.3	33.3
1st floor	Seismic intensity 5-lower	94.3	142.1	57.8	-	-

The chart to the right shows an analysis of the shake in the shorter side at Shinjuku Center Building upon the Great East Japan Earthquake. The amplitude has been emphasized by 50 times. The green line represents the situation before the renovation (without dampers), and the red line represents the situation after the renovation (with dampers installed).

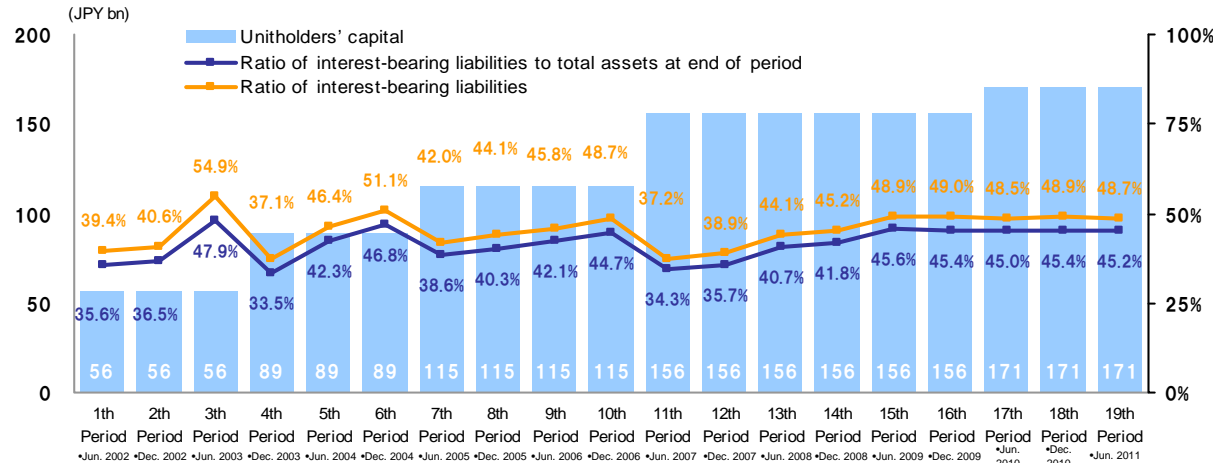
(Note) Data from Taisei Corporation



Financial Strategy

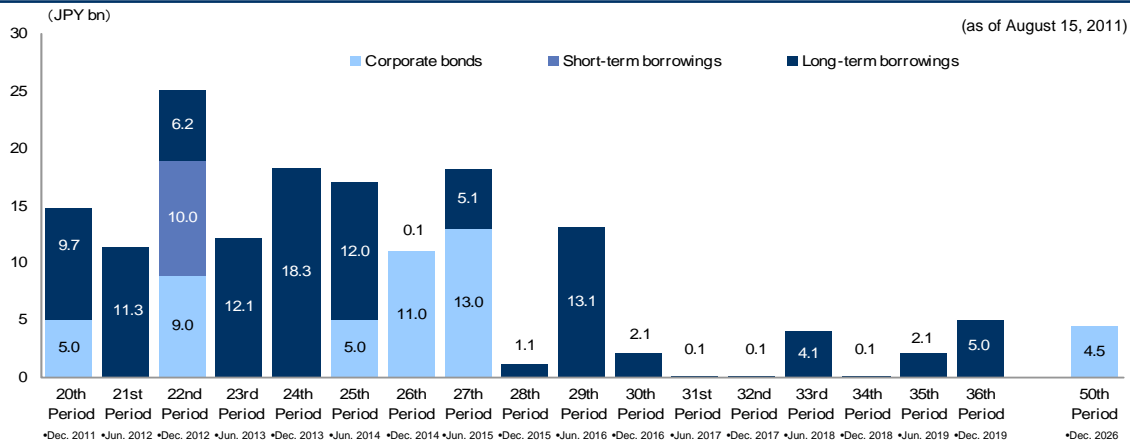
Continued conservative financial operations by focusing on long-term, fixed-rate borrowings and diversifying repayment dates by fiscal period, so as to maintain high credit ratings

Changes in Unitholders' Capital, Ratio of Interest-Bearing Liabilities and Ratio of Interest-Bearing Liabilities to Total Assets at End of Period



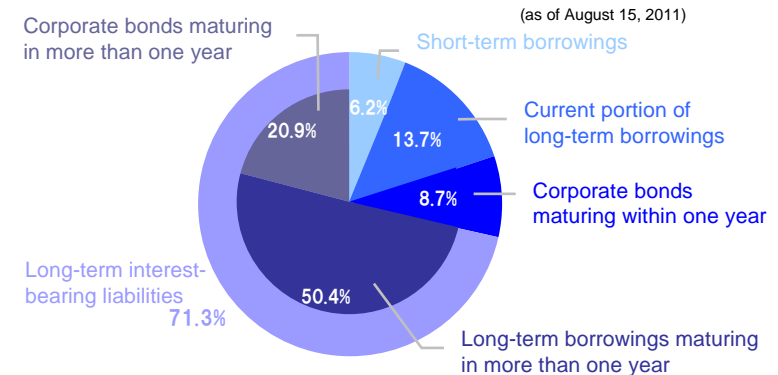
(Note 1) Ratio of interest-bearing liabilities (%) = Interest-bearing liabilities / (Interest-bearing liabilities + Unitholders' capital), Ratio of interest-bearing liabilities to total assets at end of period (%) = Interest-bearing liabilities / Total assets at end of period
 (Note 2) Unitholders' capital has been rounded down to the nearest billion yen.
 (Note 3) The ratio of interest-bearing liabilities and the ratio of interest-bearing liabilities to total assets at end of period have been rounded to the first decimal place.

Diversification of Repayment Dates of Interest-Bearing Liabilities



(Note) Figures have been rounded down to the nearest 100 million yen.

Ratio of Interest-Bearing Liabilities



	18th Period Dec. 2010	As of August 15, 2011
Ratio of long-term, fixed-rate borrowings	73.83%	71.31%
Average maturity of long-term interest-bearing liabilities	3.69 years	3.88 years
Average interest rate of long-term interest-bearing liabilities	1.91%	1.84%
Average maturity of interest-bearing liabilities	2.85 years	2.94 years

(Note) Long-term interest-bearing liabilities: interest-bearing liabilities with repayment dates coming in more than one year

Credit Ratings Assigned to JPR

(as of August 15, 2011)

Rating Agency	Corporate Credit Rating (Outlook)
Rating and Investment Information, Inc. (R&I)	AA- (Stable)
Moody's Japan K.K. (Moody's)	A2 (Negative)
Standard & Poor's Ratings Japan K.K. (S&P)	A (Stable)

Breakdown of Interest-Bearing Liabilities

JPR had all borrowings non-collateralized and expanded the credit limit of the commitment lines to 24 billion yen

Table of Balance of Borrowings

(JPY mn)

	Lender	Balance as of December 31, 2010	Balance as of August 15, 2011	Security
Short-term borrowings	Resona Bank, Limited	4,000	4,000	Unsecured / Unguaranteed / Non-subordinated
	Mitsubishi UFJ Trust and Banking Corporation	3,000	3,000	
	Mizuho Corporate Bank, Ltd.	2,000	2,000	
	Mizuho Trust & Banking Co., Ltd.	1,000	1,000	
	Total short-term borrowings	10,000	10,000	
Long-term borrowings	Mizuho Corporate Bank, Ltd.	13,700	13,600	Unsecured / Unguaranteed / Non-subordinated
	The Bank of Tokyo-Mitsubishi UFJ, Ltd	12,751	12,668	
	Mitsubishi UFJ Trust and Banking Corporation	7,000	7,000	
	Zenkyoren (The National Mutual Insurance Federation of Agricultural Cooperatives)	7,000	7,000	
	Sumitomo Mitsui Bank Corporation	5,850	5,800	
	Aozora Bank, Ltd.	5,300	5,300	
	American Family Life Assurance Company of Columbus	5,000	5,000	
	The Bank of Fukuoka, Ltd.	3,000	5,000	
	Development Bank of Japan Inc.	4,620	4,495	
	Sompo Japan Insurance Inc.	4,000	4,000	
	Sumitomo Life Insurance Company	4,000	4,000	
	The Chugoku Bank, Ltd.	3,000	3,000	
	Mizuho Trust & Banking Co., Ltd.	3,000	3,000	
	The Shinkumi Federation Bank	3,000	3,000	
	ORIX Trust and Banking Corporation	3,000	3,000	
	Taiyo Life Insurance Company	3,000	3,000	
	The Nishi-Nippon City Bank, Ltd.	-	3,000	
	Shinsei Bank, Limited	2,000	2,000	
	The Hachijuni Bank, Ltd.	2,000	2,000	
	Daido Life Insurance Company	2,000	2,000	
	The Iyo Bank, Ltd.	1,000	1,000	
		-	4,000	
	Meiji Yasuda Life Insurance Company	4,783	-	
		4,400	-	
	Total long-term borrowings	103,404	102,863	
	Total borrowings	113,404	112,863	

Overview of Corporate Bonds

(JPY mn)

	Balance as of December 31, 2010	Balance as of August 15, 2011	Security
Corporate Bonds	Third Series of Corporate Bonds	5,000	5,000
	Fifth Series of Corporate Bonds	5,000	5,000
	Sixth Series of Corporate Bonds	5,000	5,000
	Seventh Series of Corporate Bonds	4,500	4,500
	Eighth Series of Corporate Bonds	9,000	9,000
	Ninth Series of Corporate Bonds	6,000	6,000
	Tenth Series of Corporate Bonds	3,000	-
	Eleventh Series of Corporate Bonds	6,000	6,000
	Twelfth Series of Corporate Bonds	7,000	7,000
	Balance of Corporate Bonds	50,500	47,500
Interest-Bearing Liabilities	163,904	162,763	

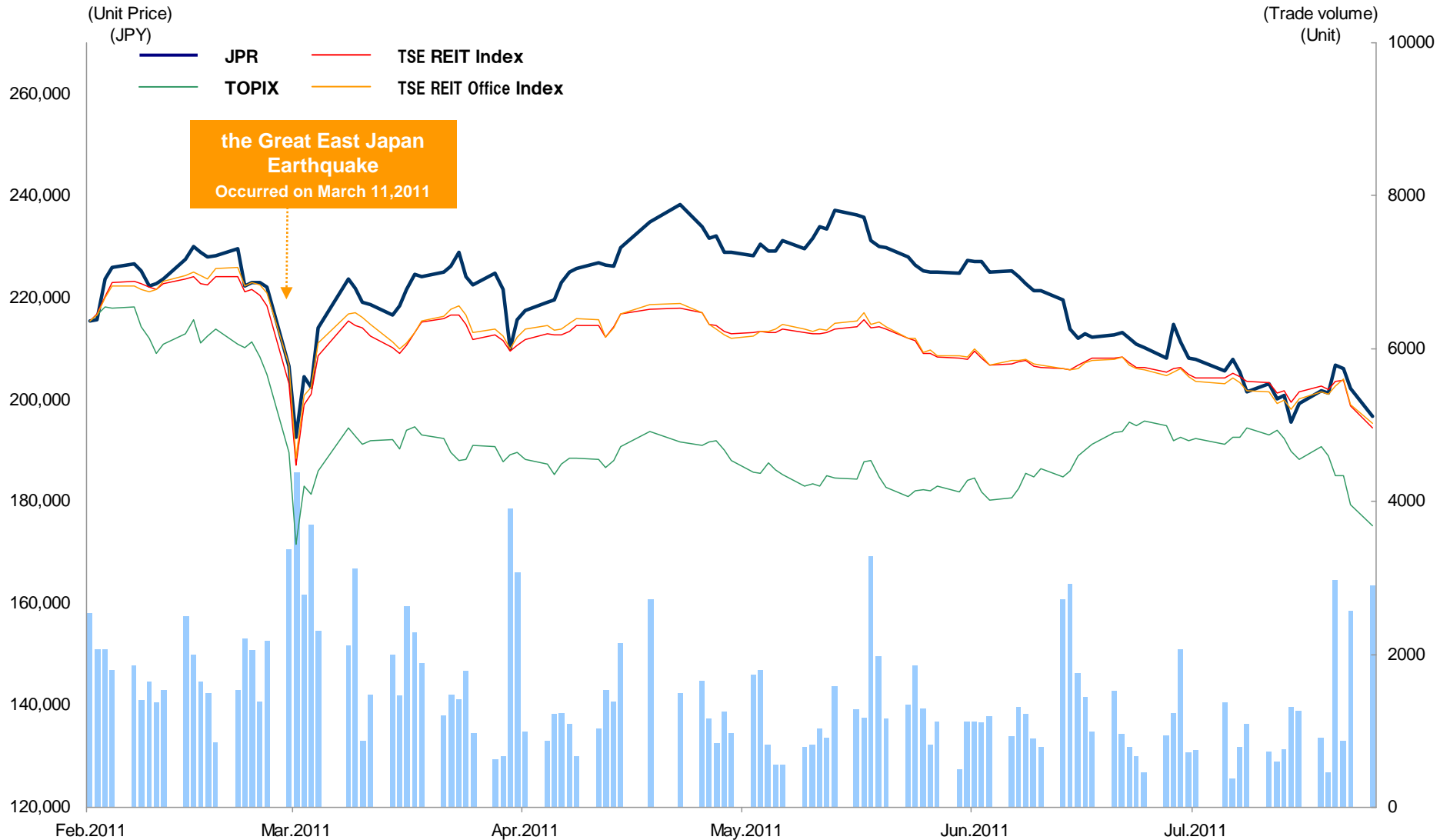
Overview of Commitment Line Contract

(JPY mn)

Lenders(Already Established)	Limit	Maturity date	Security
Mizuho Corporate Bank, Ltd.	4,000	November 30, 2011	Unsecured / Unguaranteed
The Bank of Tokyo-Mitsubishi UFJ, Ltd	4,000		
Resona Bank, Limited	4,000		
Mitsubishi UFJ Trust and Banking Corporation	4,000		
Subtotal	16,000		
Lenders(Newly Established)	Limit	Maturity date	Security
Sumitomo Mitsui Bank Corporation	4,000	November 30, 2011	Unsecured / Unguaranteed
Aozora Bank, Ltd.	4,000		
Subtotal	8,000		
Total	24,000		

(Note) The new commitment line agreements (with Sumitomo Mitsui Bank Corporation and Aozora Bank, Ltd.) became effective on July 1, 2011.

History of JPR's Unit price and Trade Volume (Feb.15,2011~Aug.8,2011)



*The TSE REIT Index and other figures have been indexed with February 15, 2011 as the base date, and the chart shows relative performances.



Japan Prime Realty Investment Corporation

Future Management Strategy

20th~

Future Management Policies

Given the rent revenue and ordinary income set on track to recovery, JPR aims to enhance the NAV per unit by strategically working on asset replacement in its portfolio while making efforts to further improve the NOI of the existing portfolio

External Growth Strategy - Strictly Selected Investment Primarily in Office Buildings in Tokyo -

- [Market Analysis]**
- Transaction market has been on track to recover since entering 2011
 - "Wait-and-see" attitude temporarily prevailing after the Earthquake
 - Buyers find it difficult to set high price targets, given the outlook of the Japanese economy and the real estate market becoming opaque
 - Buyers' investment appetite remains strong, and transactions are anticipated to increase down the road with a recovery in prices, starting with excellent properties that allow expectations for revenue improvement

- [JPR's Strategy]**
- Continue to widely investigate properties, with a focus on office buildings in Tokyo
 - Investigate urban retail properties in a limited manner, both in terms of the area and the property size
 - Strictly select investment properties, taking into account how tolerant they are against market downturn and how much potential they have for revenue growth upon market recovery
 - Utilize the Asset Manager's proprietary sourcing capability as well as the sponsors' pipelines to obtain information on excellent properties

Internal Growth Strategy - Promotion of Measures to Reinforce Leasing Activities -

- [Market Analysis]**
- At the beginning of the year, the rental market appeared to be bottoming out and turning to recovery
 - Recovery in the office building rental market will be retarded slightly because of the opaque outlook of the economy
 - Tenant demand for office buildings is anticipated to gradually turn to a recovery next year and after, while tenants' preference will be increasingly polarized
 - Some retail properties in good locations have mostly bottomed out.

- [JPR's Strategy]**
- JPR's operational policy places top priority on maintaining and increasing the occupancy rate
 - Implement constructions to upgrade properties, with an aim to invite new tenants and enhance satisfaction of existing tenants
 - Implement measures to reinforce leasing activities, centering on further strengthening coordination with tenant brokers
 - Reinforce focused leasing activities by more closely cooperating with property management companies, centering on Tokyo Tatemono

Financial and IR Strategies - Equity Financing with Consideration Given to Dilution of DPS and BPS -

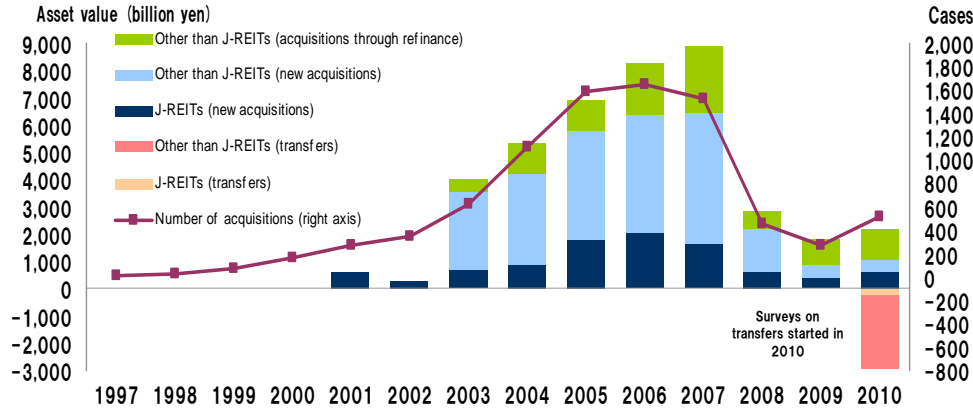
- [Market Analysis]**
- Investment unit prices remained somewhat stagnant, partly because of concerns for dilution of DPS and BPS (book value per share) through issuance of new investment units
 - Environment surrounding indirect financing continues to be stable
 - Post-quake environment for issuing investment corporation bonds has been mostly normalized

- [JPR's Strategy]**
- Given a delay in the recovery of the rental market, take a cautious approach to equity financing by fully discerning when the portfolio rent will turn to a rise and in full consideration for dilution of DPS and BPS
 - Work to diversify new lenders and reduce fund procurement costs
 - Continue to implement proactive IR activities primarily to institutional investors in Japan and abroad

Office Transaction Market Conditions

Changes in Acquisition Results of Securitized Properties

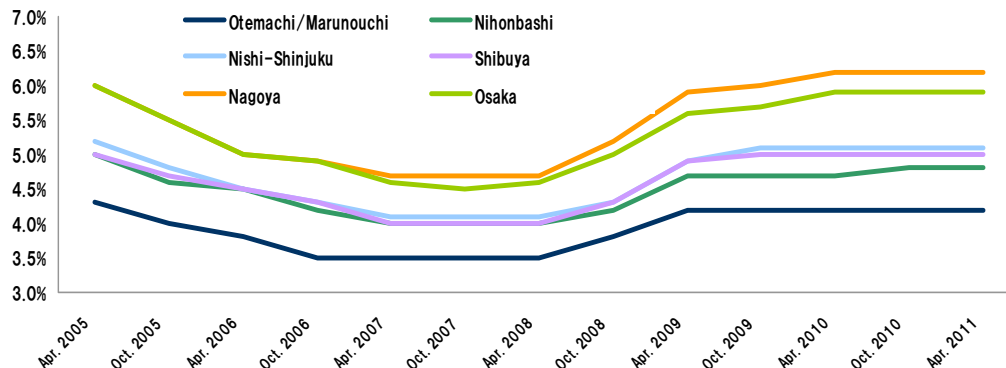
Securitized properties acquired in 2010 totaled approx. 2.2 trillion yen by asset value and 518 cases in count



(Note) Survey of Real Estate Securitization by the Ministry of Land, Infrastructure, Transport and Tourism

Changes in Cap Rates of Offices

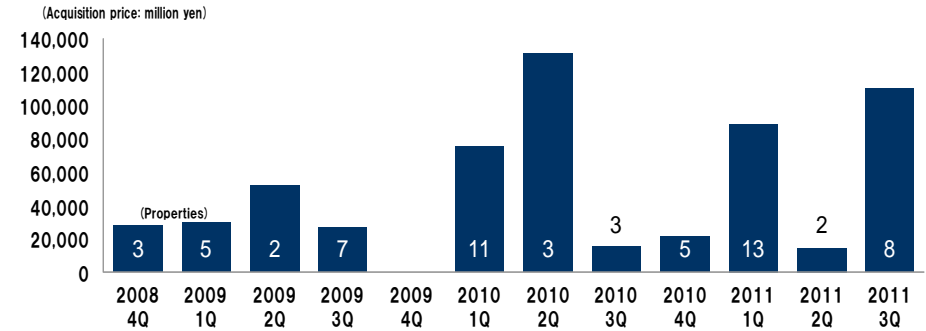
Cap rates of office buildings in Tokyo remained flat



(Note) Prepared by Tokyo Realty Investment Management, Inc. based on the Cap Rate of Average-Sized Class A Office Building in The Japanese Real Estate Investor Survey published by Japan Real Estate Institute

Changes in Acquisition Results of Office Buildings in Tokyo by J-REITs

Transaction volume for the second quarter of 2011 decreased slightly due to the impact of the Earthquake, but trade size per acquisition has been increasing



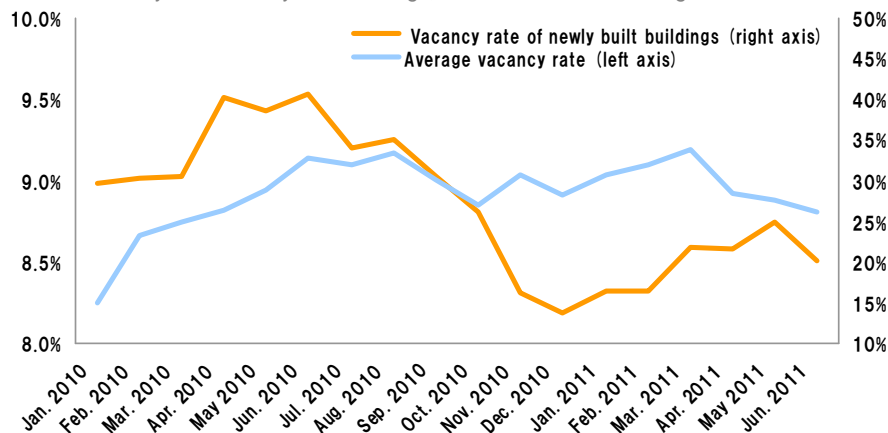
Acquisition Date	Buyer	Property Name	Location	Acquisition Price (JPY bn)	Cap Rate
Jan. 2011	NBF	NBF Ueno Bldg.	Taito Ward, Tokyo	10.4	4.9%
Feb. 2011	JRE	Osaki Front Tower	Shinagawa Ward, Tokyo	12.3	5.1%
Feb. 2011	JEI	Daiba Garden City Bldg.	Minato Ward, Tokyo	11.0	5.2%
Feb. 2011	TRE	Tokyu Ginza 2-chome Bldg.	Chuo Ward, Tokyo	5.0	4.6%
Feb. 2011	NBF	River City M-SQUARE	Chuo Ward, Tokyo	13.4	5.0%
Feb. 2011	NBF	Nihonbashi Kabuto-cho M-SQUARE	Chuo Ward, Tokyo	4.9	4.6%
Mar. 2011	JRE	Kyodo Bldg. (Kayabacho 2-chome)	Chuo Ward, Tokyo	4.4	4.7%
Mar. 2011	GO	Hirakawacho Mori Tower	Chiyoda Ward, Tokyo	18.2	4.3%
Mar. 2011	MHR	Ark Mori Bldg. (Additional)	Minato Ward, Tokyo	9.8	3.8%
Mar. 2011	MHR	Akasaka Tameike Tower (Additional)	Minato Ward, Tokyo	6.7	5.1%
Mar. 2011	DOI	Daiwa Kayabacho Bldg.	Chuo Ward, Tokyo	5.6	4.6%
Mar. 2011	DOI	Jinbocho Place	Chiyoda Ward, Tokyo	3.6	4.6%
Mar. 2011	NBF	Gate City Ohsaki	Shinagawa Ward, Tokyo	11.6	4.4%
Apr. 2011	NBF	Chofu South Gate Bldg.	Chofu City, Tokyo	9.3	5.7%
Jun. 2011	OJR	Akihabara Business Center	Taito Ward, Tokyo	5.1	4.8%
Jul. 2011	DOI	E SPACE TOWER	Shibuya Ward, Tokyo	24.0	4.4%
Jul. 2011	KRI	Kyodo Bldg. (Iidabashi)	Shinjuku Ward, Tokyo	4.7	5.0%
Jul. 2011	KRI	P's Higashi-Shinagawa Bldg.	Shinagawa Ward, Tokyo	4.6	5.2%
Jul. 2011	KRI	Nihonbashi Dai-2 Bldg.	Chuo Ward, Tokyo	2.7	5.3%
Jul. 2011	KRI	Kyodo Bldg. (Higashi Nihonbashi)	Chuo Ward, Tokyo	2.3	4.8%
Aug. 2011	MHR	Roppongi Hills Mori Tower (Additional)	Minato Ward, Tokyo	18.7	3.8%
Aug. 2011	MHR	Ark Mori Bldg. (Additional)	Minato Ward, Tokyo	17.2	3.8%
Sep. 2011	NBF	Mitsubishi Heavy Industries Head Office Bldg. (Planned for acquisition)	Minato Ward, Tokyo	36.3	4.2%

(Note) Prepared by Tokyo Realty Investment Management, Inc. based on press releases by respective REITs announced through August 8, 2011, with acquisition prices rounded off to 100 million yen. Cap rates are values through direct capitalization method based on appraisal values indicated in the press releases.

Office Rental Market Conditions

Changes in Vacancy Rates

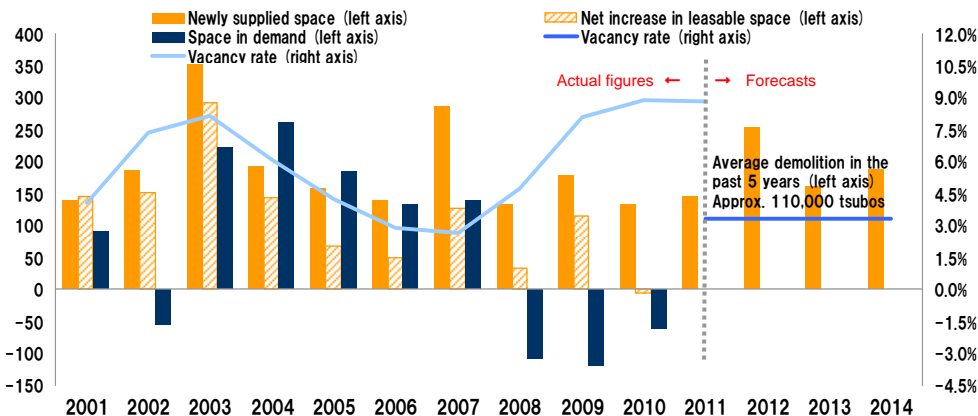
A decreasing trend is shown in both the average vacancy rate of office buildings in Tokyo and the vacancy rate of newly built buildings, which serves as a leading indicator



(Note) Actual figures were prepared by Tokyo Realty Investment Management, Inc. based on the Office Report (in Tokyo CBDs) published by Miki Shoji Co., Ltd.

Supply and New Demand Trends of Office Spaces

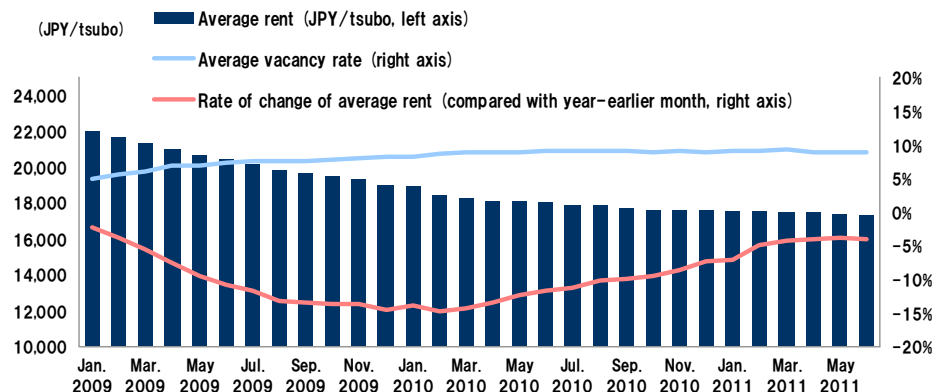
Although a large volume of supply will be made in 2012 for office buildings in Tokyo, the impact on the market will be rather limited when estimated from the average volume of supply made before and after the year as well as from building demolition



(Note) Data through 2010 was prepared by Tokyo Realty Investment Management, Inc. based on the Office Report (Tokyo CBD) published by Miki Shoji Co., Ltd. Data for 2011 and after were prepared by Tokyo Realty Investment Management, Inc. based on its own survey.

Changes in Vacancy Rate and Rents

The rent level of office buildings in Tokyo is still decreasing, but the rate of decrease is decelerating



(Note) Actual figures were prepared by Tokyo Realty Investment Management, Inc. based on the Office Report (in Tokyo CBDs) published by Miki Shoji Co., Ltd.

Views on the Market by an Independent Institution (Office Buildings in Tokyo)

Outlook of Office Market in the 23 Wards of Tokyo

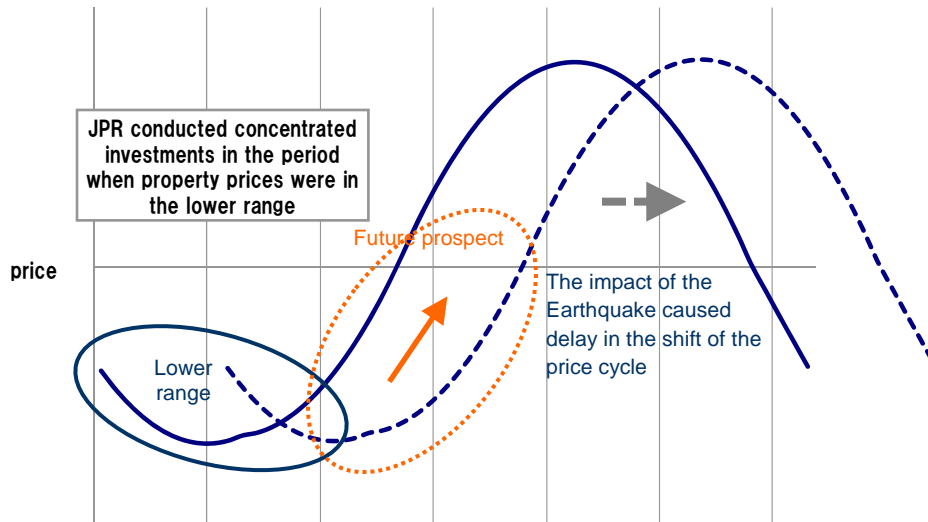
- New supply through 2011 will be nearly the same as 2010; 2012 will see a massive supply of 279,000 tsubos
- Increase in demand through 2011 will be limited to 123,000 tsubos, as the impact of the Earthquake slowed economic recovery and caused proactive relocation plans to be postponed
- In 2012, with rents continue to be relatively inexpensive, the economic recovery due to reconstruction demand will give positive impact on the office market, and demand will rise by 204,000 tsubos
- In 2013 and after, concerns for market deterioration due to the massive supply in 2012 will tend to suppress new demand to around 100,000 to 150,000 tsubos each year
- With regard to demand in 2013 and after, new demand will eventually be mostly equivalent to new supply, as employment situation will weaken and rents will be less inexpensive, although the negative impact of the Earthquake will fade as time passes. Still, stock adjustments through demolition of old buildings and the vacancy rate will slowly decrease
- Average contract rent will continue to increase slowly after bottoming out in 2012, but the rate of increase will be rather low as vacancy rates tend to decrease only slowly

(Note) Prepared by Tokyo Realty Investment Management, Inc. based on the Real Estate Market Research Report (surveyed in May 2011) by STB Research Institute Co., Ltd.

[Investment Strategy]

- Judging from the current price fluctuation cycle, JPR recognizes that good opportunities continue to stay for property acquisitions
- Given the increasing trend in the volume of information and in the number of investigated properties from sources other than the sponsors' channels, obtain good property information by taking advantage of proprietary sourcing abilities
- Strictly select and invest in properties that should contribute to the growth of distributions per unit, or to the increase in NAV per unit through an increase in property prices, over the medium term, taking into account how tolerant they are against market downturn and how much potential they have for revenue growth upon market recovery
- Also investigate asset replacement in the portfolio with an aim to improve the NAV per unit, as some buyers have strong investment appetite in properties under certain criteria although the availability of good property information has been scarce since the Earthquake

Price Fluctuation Cycles (Primarily from the viewpoint of cap rates)



Changes in the Volume of Property Information Obtained and the Number of Properties Investigated

Both the volume of property information obtained or the number of properties investigated increased from the year-earlier period

	2011						
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jan. - Jun
Volume of information obtained	12	18	24	11	15	27	107
Number of properties investigated	5	2	4	2	3	6	22

	2010						
	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jan. - Jun
Volume of information obtained	2	20	7	26	16	12	83
Number of properties investigated	1	4	3	5	1	3	17

Acquisition Targets

[Core Office Buildings in Tokyo Area]

- Main targets under the investment strategy
- Proactively collect information and carefully examine the investment values including future prospects of the properties

JPR Harajuku Building



JPR Nihonbashi-horidome Building



BYGS Shinjuku Building



[Urban Retail Properties]

- Target properties located in front of stations and under lease contracts based on fixed rents over a long term
- The areas and the property sizes are limited

JPR Shibuya Tower Records Building



Kawasaki Dice Building



[Properties in Other Cities]

Limit the area to regional cities where the market is expected to recover in a medium term, and prudently discern properties that are highly competitive in the area

JPR Hakata Building



[Properties with Low Occupancy]

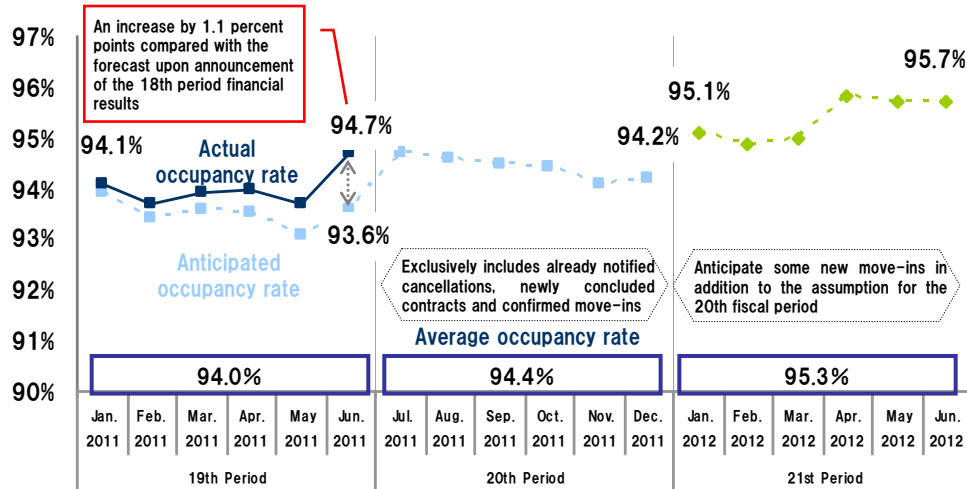
Properties that allow expectations for upside revenues by reinforcing leasing

Shinagawa Canal Building



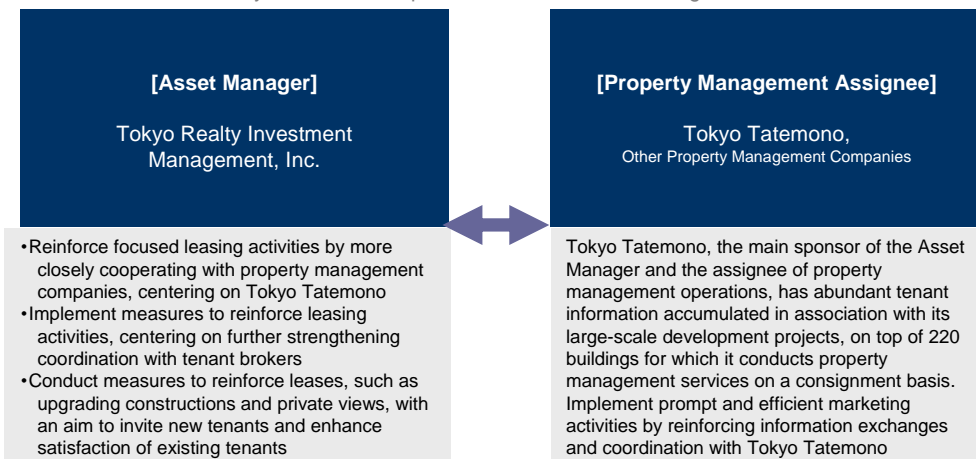
Future Perspective of Occupancy Rates

Occupancy rate shows a tendency of slight decrease toward the end of the 20th fiscal, but is anticipated to recover in the 21st fiscal period



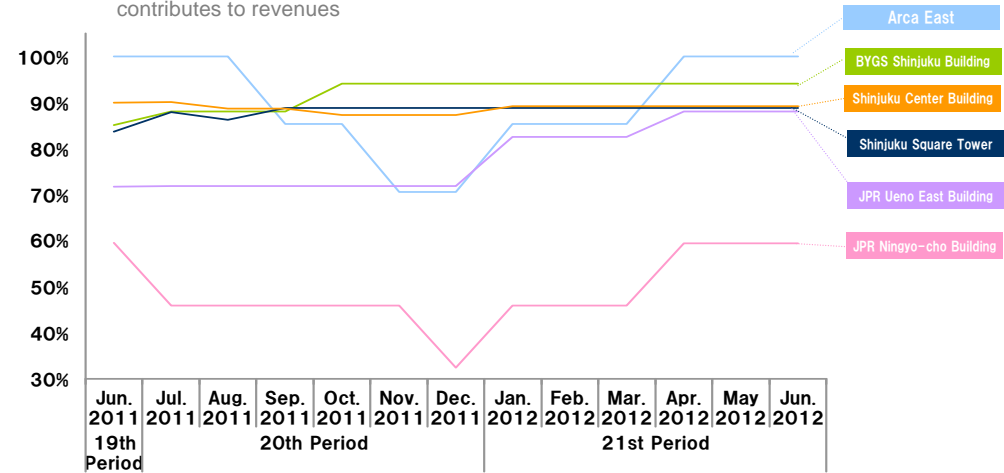
Endeavors to Reinforce Leases

Make the utmost of Tokyo Tatemono's sponsor collaboration in leasing activities



Anticipated Occupancy Rates of Major Properties

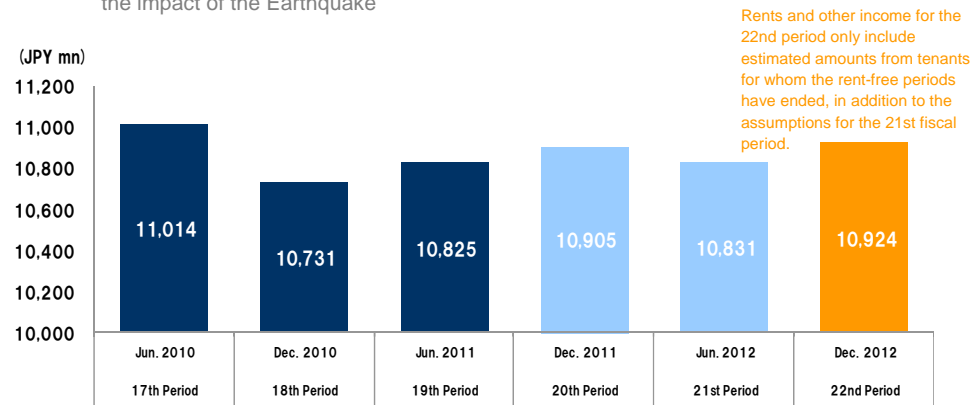
Reinforce leasing activities with a focus on office buildings in Tokyo, which highly contributes to revenues



(Note) The leasable area of Shinjuku Center Building was expanded by 248 tsubos (equivalent to 10.2% of the total leasable area) in the 19th fiscal period, and the leased area increased by 403 tsubos (equivalent to 16.6% of the total leasable area) in accordance with inviting new tenants. As a result, its occupancy rate was 90.0% at the end of the 19th fiscal period.

Changes in Rents and Other Income from the Entire Portfolio

Rents and other income will remain to be somewhat weak, partly because of the impact of the Earthquake



(Note) Figures have been rounded down to the nearest value.

For Future Growth

JPR will work to raise the investment unit price through “providing stable distributions” to unitholders and “increasing the NAV per unit”, endeavoring to realize a favorable spiral of growth

Improve Portfolio Quality through New Property Acquisitions and Asset Replacement

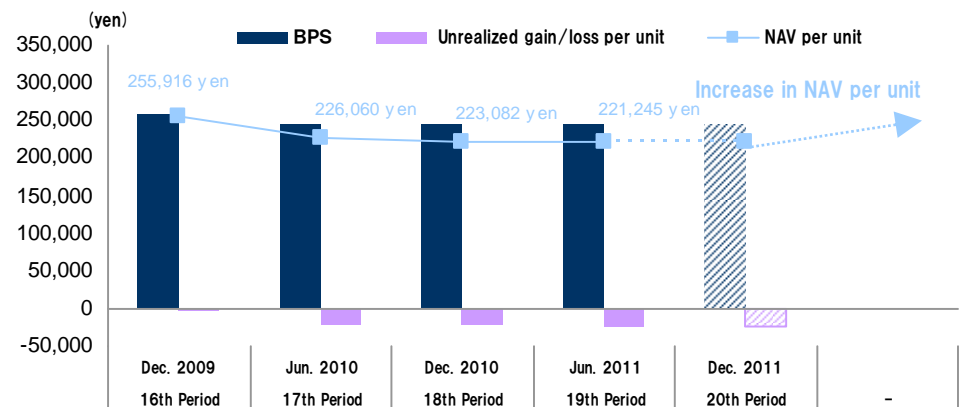
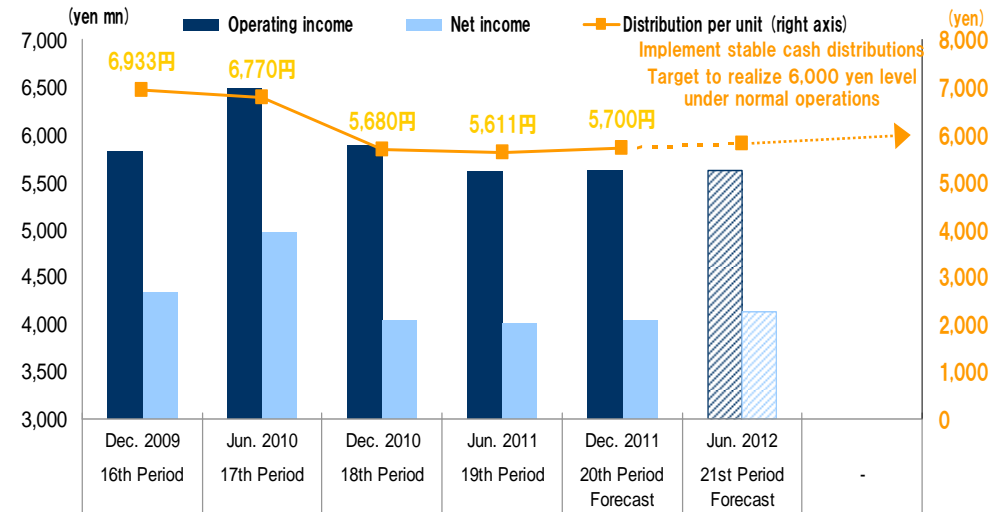
- Strictly select and invest in properties that should contribute to the growth of distributions per unit, or to the increase in NAV per unit through an increase in property prices, over the medium term
- Also investigate asset replacement in the portfolio with an aim to improve the NAV per unit, as some buyers have strong investment appetite in properties under certain criteria although the availability of good property information has been scarce since the Earthquake

Increase the NAV of Existing Portfolio

- The rate of decrease in real estate appraisal values is decelerating
Appraisal values increased for 15 properties out of the 56 properties owned at end of the 19th period
Cap rates (through direct capitalization method) generally remain flat, with a decreasing trend for some properties
- Properties that were earlier acquired at the bottom price levels are expected to show potential for revenue growth upon market recovery
- Continue endeavors to increase the occupancy rate of office buildings through reinforced leasing activities, raise the advertised rents for properties that are highly competitive in the area, and reduce the rate of decrease in negotiated rents
- Promote reductions of such costs as administrative expenses, energy costs and repair expenses, in accordance with the revenue levels, in order to further improve the cash flows in appraisals

Avoid conducting capital increases at less than net asset value per unit, in consideration for dilution of investment units

- Give consideration to dilution of DPS and BPS
- Acquire properties having cap rates that can compensate the increase in issued investment units by an increase in profits
- A favorable spiral of “capital increase at more than net asset value per unit → property acquisitions → increase in cash distributions → increase in investment unit price” is essential for growth strategy
- Liquidity increased in association with the increase in market capitalization should stabilize the investment unit price
- Secure safety in financial operations by lowering the LTV level



(Note 1) BPS=Net assets at end of period /Number of outstanding units issued at end of period

(Note 2) 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



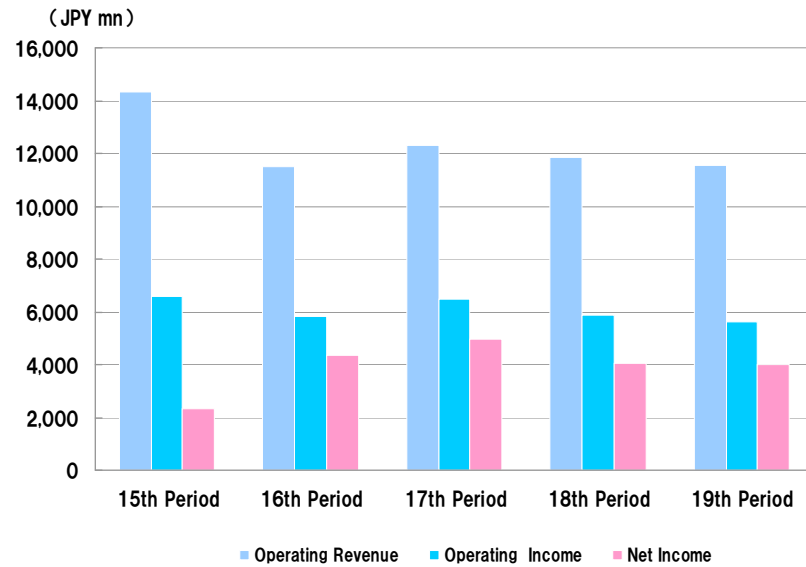
Japan Prime Realty Investment Corporation

Appendix

19th

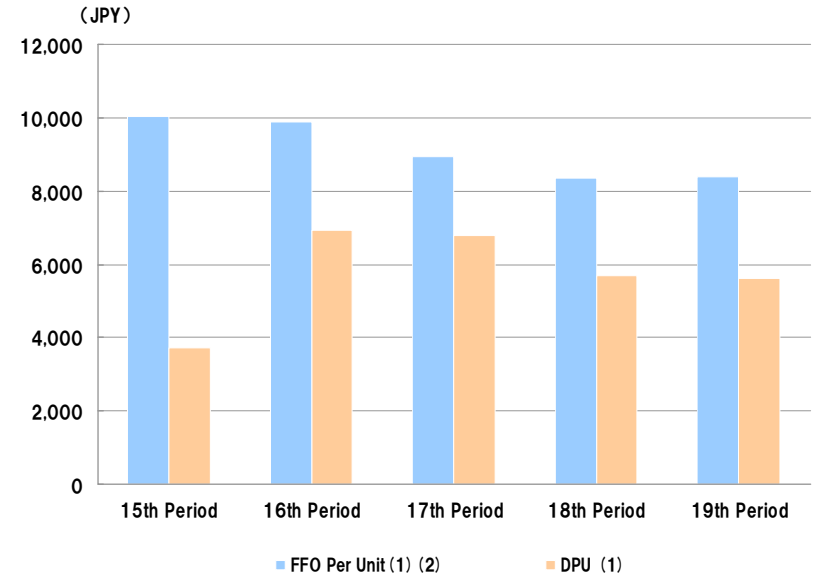
Performance over the Past Five Fiscal Periods

Operating Revenue, Operating Income and Net Income



	(JPY mn)				
	15th Period	16th Period	17th Period	18th Period	19th Period
Operating Revenue	14,330	11,493	12,314	11,870	11,529
Operating Income	6,568	5,827	6,484	5,886	5,603
Net Income	2,331	4,332	4,963	4,039	4,010

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

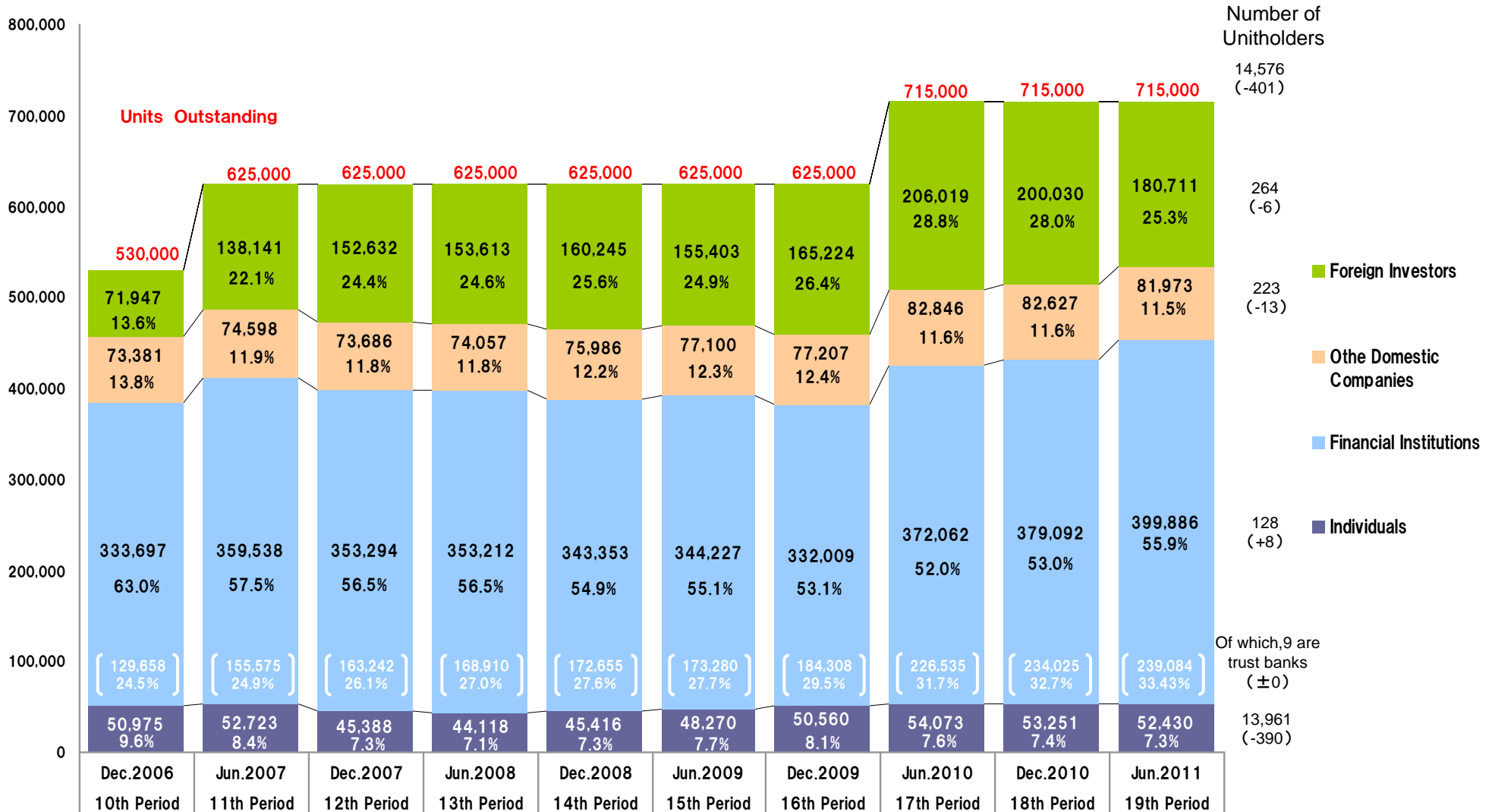


	(JPY)				
	15th Period	16th Period	17th Period	18th Period	19th Period
FFO Per Unit(1)(2)	10,015	9,892	8,952	8,347	8,372
DPU (1)	3,731	6,933	6,770	5,680	5,611
Number of Units Outstanding	625,000	625,000	715,000	715,000	715,000

- (1) DPU and FFO per unit are calculated by dividing distributions and FFO by the total units outstanding as of the end of each fiscal period.
 (2) FFO per unit = (Net income - Gains on sale of real estate - Gains on sale of investment securities - Extraordinary revenues and expenses + Depreciation + Other real estate-related depreciation) / Total units outstanding

Historical Unitholder Composition (Number of Units by Investor Type)

In the numbers of units held and unitholders, foreign investors decreased while domestic financial institutions increased (primarily trust banks)



(Note 1) The composition ratios in the above graph have been rounded to the first decimal place.

(Note 2) Figures in parentheses in the graph represent the number of investment units owned by trust banks within the category of financial institutions (including securities companies).

Principle Unitholders

19th Fiscal Period (Ended June 2011)			18th Fiscal Period (Ended December 2010)		
Name	Number of Units Owned	% of Units Outstanding*	Name	Number of Units Owned	% of Units Outstanding*
Japan Trustee Services Bank, Ltd. (Trust Account)	110,555	15.46%	Japan Trustee Services Bank, Ltd. (Trust Account)	100,081	13.99%
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	58,104	8.12%	The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	66,494	9.29%
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	41,587	5.81%	Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	38,185	5.34%
Tokyo Tatemono Co., Ltd.	29,300	4.09%	Tokyo Tatemono Co., Ltd.	29,300	4.09%
Northern Trust Company (AVFC), Account Singapore Clients (Standing Proxy: The Hongkong and Shanghai Banking Corporation Ltd., Tokyo Branch)	27,258	3.81%	Northern Trust Company (AVFC), Account Singapore Clients (Standing Proxy: The Hongkong and Shanghai Banking Corporation Ltd., Tokyo Branch)	27,258	3.81%
Kawasaki Gakuen	25,000	3.49%	The Master Trust Bank of Japan, Ltd. (Trust Account)	25,269	3.53%
Meiji Yasuda Life Insurance Company	24,000	3.35%	Kawasaki Gakuen	25,000	3.49%
The Master Trust Bank of Japan, Ltd. (Trust Account)	23,341	3.26%	Meiji Yasuda Life Insurance Company	24,000	3.35%
Nomura Bank (Luxembourg) S.A. (Standing Proxy: Sumitomo Mitsui Banking Corporation)	20,162	2.81%	AIG Star Life Insurance, Co., Ltd. (general account) (Standing Proxy: Citibank Japan Ltd.)	12,982	1.81%
Deutsche Securities Inc.	14,753	2.06%	The Senshu Ikeda Bank, Ltd.	11,448	1.60%
Total	374,060	52.31%	Total	360,017	50.35%

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



Milestones Since IPO and Historical Unit Price



Fiscal Period	1st Period	2nd Period	3rd Period	4th Period	5th Period	6th Period	7th Period	8th Period	9th Period	10th Period	11th Period	12th Period	13th Period	14th Period	15th Period	16th Period	17th Period	18th Period	19th Period
DPU	JPY2,545	JPY6,912	JPY6,873	JPY5,738	JPY6,081	JPY6,671	JPY6,370	JPY6,411	JPY6,509	JPY6,873	JPY6,996	JPY6,671	JPY7,122	JPY7,092	JPY3,731	JPY6,933	JPY6,770	JPY5,680	JPY5,611

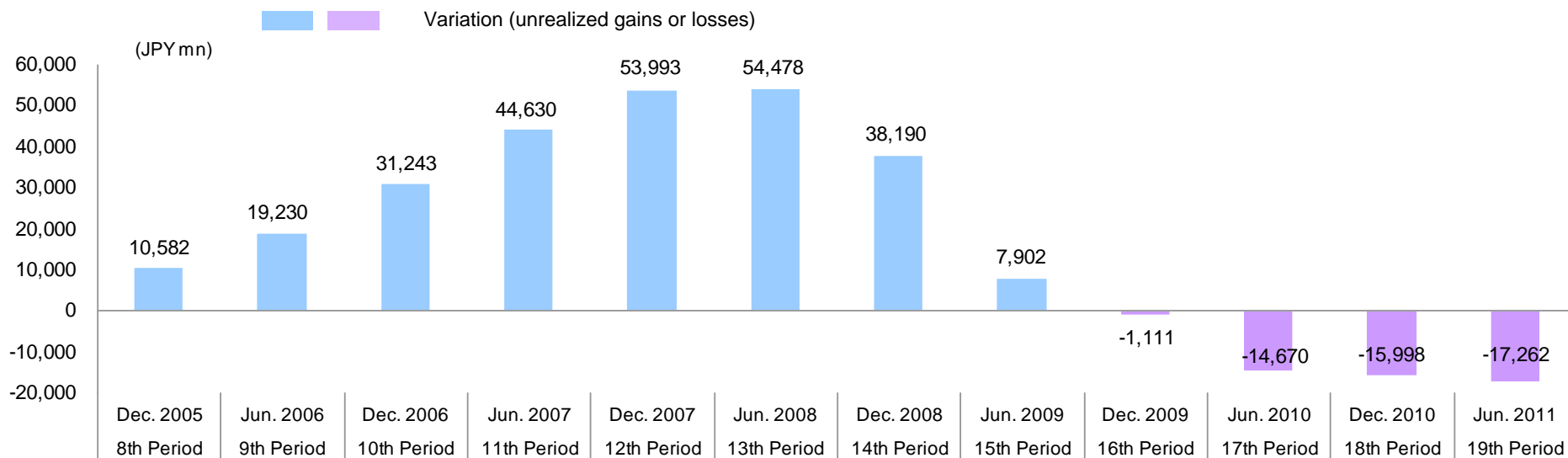
Changes in Variation Between Appraisal Value and Book Value at End of Period

Net assets per unit after including variation between the appraisal value and book value (unrealized gains or losses) were 221,245 yen (Note 1)

	8th Period Dec. 2005	9th Period Jun. 2006	10th Period Dec. 2006	11th Period Jun. 2007	12th Period Dec. 2007	13th Period Jun. 2008	14th Period Dec. 2008	15th Period Jun. 2009	16th Period Dec. 2009	17th Period Jun. 2010	18th Period Dec. 2010	19th Period Jun. 2010
Number of properties	42	44	46	48	49	50	52	51	53	55	56	56
Appraisal value at end of period (JPY mn)	210,601	224,773	249,366	285,176	299,995	322,984	311,513	300,509	301,979	308,134	315,806	313,274
Book value (JPY mn)	200,019	205,543	218,123	240,546	246,002	268,506	273,323	292,607	303,090	322,804	331,804	330,536
Variation (unrealized gains : JPY mn)	10,582	19,230	31,243	44,630	53,993	54,478	38,190	7,902	-1,111	-14,670	-15,998	-17,262
Ratio of unrealized gains or losses (Note 2)	5.30%	9.40%	14.30%	18.60%	21.90%	20.30%	14.00%	2.70%	-0.40%	-4.50%	-4.82%	-5.22%

(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

(Note 2) Ratio of unrealized gains or loss = Variation / book value x 100



Appraisals and Cap Rates at End of Period

No.	Property Name	End of 19th Period		End of 18th Period		Change		Appraiser	No.	Property Name	End of 19th Period		End of 18th Period		Change		Appraiser
		Appraisal Value (Note 2)	Cap Rate (Note 3)	Appraisal Value (Note 2)	Cap Rate (Note 3)						Appraisal Value (Note 2)	Cap Rate (Note 3)	Appraisal Value (Note 2)	Cap Rate (Note 3)			
1	Kanematsu Building	10,200	4.8%	10,200	4.8%	—	—	3	38	Tanashi ASTA	12,200	5.8%	12,200	5.8%	—	—	5
2	Kanematsu Building Annex	2,260	5.1%	2,290	5.1%	-30	-1.3%	3	39	Cupo-la Main Building	2,480	5.9%	2,480	5.9%	—	—	1
3	JPR Ningyo-cho Building	2,370	5.2%	2,320	5.3%	50	2.2%	1	40	JPR Musashikosugi Building	5,940	5.2%	5,940	5.2%	—	—	8
4	Shin-Kojimachi Building	2,950	4.9%	3,090	5.0%	-140	-4.5%	1	41	Musashiurawa Shopping Square	3,920	5.4%	3,910	5.4%	10	0.3%	8
5	JPR Crest Takebashi Building	3,450	4.8%	3,440	4.8%	10	0.3%	5	42	Kawasaki Dice Bldg.	14,664	4.7%	14,664	4.7%	—	—	7
6	MS Shibaura Building	14,200	5.0%	14,700	5.0%	-500	-3.4%	1	43	Niigata Ekinan Center Building	2,090	6.7%	2,090	6.7%	—	—	2
7	Gotanda First Building	2,780	5.1%	2,780	5.1%	—	—	1	44	Tokyo Tatemono Honmachi Building	3,170	5.8%	2,960	6.2%	210	7.1%	1
8	Fukuoka Building	3,230	4.6%	3,240	4.6%	-10	-0.3%	5	45	JPR Hakata Building	2,900	6.0%	2,940	6.0%	-40	-1.4%	2
9	JPR Ichigaya Building	4,780	4.7%	4,840	4.7%	-60	-1.2%	5	46	JPR Naha Building	1,520	6.8%	1,540	6.8%	-20	-1.3%	2
10	Oval Court Ohsaki Mark West	4,330	4.8%	4,320	4.8%	10	0.2%	5	47	Sompo Japan Sendai Building	3,310	6.3%	3,260	6.3%	50	1.5%	1
11	Shinjuku Square Tower	8,171	4.6%	8,659	4.6%	-488	-5.6%	6	48	Sompo Japan Wakayama Building	1,710	7.5%	1,770	7.5%	-60	-3.4%	1
12	BYGS Shinjuku Building	13,500	4.7%	13,800	4.7%	-300	-2.2%	5	49	Tenjin 121 Building	2,260	5.8%	2,340	5.7%	-80	-3.4%	1
13	Across Shinagawa Building Annex	829	5.6%	863	5.6%	-34	-3.9%	5	50	JPR Dojima Building	2,180	5.4%	2,270	5.4%	-90	-4.0%	1
14	Shinjuku Center Building	13,200	4.3%	12,600	4.3%	600	4.8%	1	51	JPR Hakata-chuo Building	1,680	5.7%	1,790	5.7%	-110	-6.1%	1
15	Minami Azabu Building	2,890	4.9%	2,830	5.0%	60	2.1%	1	52	JPR Nagoya Fushimi Building	2,630	6.3%	2,490	6.3%	140	5.6%	4
16	Shinagawa Canal Building	1,740	5.0%	1,680	5.1%	60	3.6%	1	53	JPR Umeda Loft Building	13,900	4.8%	14,000	4.8%	-100	-0.7%	6
17	Rokubancho Building	3,040	6.1%	3,030	6.1%	10	0.3%	1	54	Benetton Shinsaibashi Building	4,260	4.8%	4,530	4.8%	-270	-6.0%	4
18	Ryoshin Harajuku Building	7,400	4.5%	7,610	4.5%	-210	-2.8%	8	55	Housing Design Center Kobe	6,450	6.2%	6,390	6.3%	60	0.9%	4
19	Tokyo Tatemono Kyobashi Building	5,110	5.0%	5,120	5.0%	-10	-0.2%	1	56	JPR Chayamachi Building	4,630	5.0%	4,690	5.0%	-60	-1.3%	4
20	JPR Nihonbashi-horidome Building	5,730	4.9%	5,780	4.9%	-50	-0.9%	8		Total	313,274	-	315,806	-	-2,532		
21	JPR Sendagaya Building	10,300	4.4%	10,600	4.4%	-300	-2.8%	8									
22	JPR Shibuya Tower Records Building	12,600	4.5%	12,600	4.5%	—	—	1									
23	JPR Daikanyama	1,300	5.0%	1,300	5.0%	—	—	3									
24	JPR Jingumae 432	3,750	3.5%	3,800	3.5%	-50	-1.3%	7									
25	Shinjuku Sanchoe East Building	2,330	4.5%	2,350	4.5%	-20	-0.9%	1									
26	Yurakucho Ekimae Building (Yurakucho Itocia)	2,620	4.3%	2,660	4.2%	-40	-1.5%	1									
27	Arca East	5,640	4.8%	5,570	4.8%	70	1.3%	1									
28	JPR Chiba Building	1,550	6.1%	1,550	6.1%	—	—	5									
29	JPR Yokohama Nihon Odori Building	2,450	5.7%	2,460	5.7%	-10	-0.4%	5									
30	Shinyokohama 2nd Center Building	790	6.2%	790	6.2%	—	—	3									
31	Kawaguchi Center Building	8,080	6.1%	8,800	6.1%	-720	-8.2%	3									
32	JPR Ueno East Building	4,660	5.1%	4,600	5.2%	60	1.3%	1									
33	Tachikawa Business Center Building	2,880	5.7%	2,880	5.7%	—	—	1									
34	Rise Arena Building	5,710	5.6%	5,730	5.6%	-20	-0.3%	4									
35	Yume-ooka Office Tower	5,550	5.6%	5,540	5.6%	10	0.2%	1									
36	Olinas Tower	32,000	4.8%	32,100	4.8%	-100	-0.3%	1									
37	Tokyo Tatemono Yokohama Building	7,010	5.6%	7,030	5.6%	-20	-0.3%	1									

(Note 2) At end of period (JPY mn)
(Note 3) Direct Capitalization Method

Properties whose appraisal values decreased by 5% or more compared with those at the end of the 18th period
Properties whose appraisal values increased compared with those at the end of the 18th period

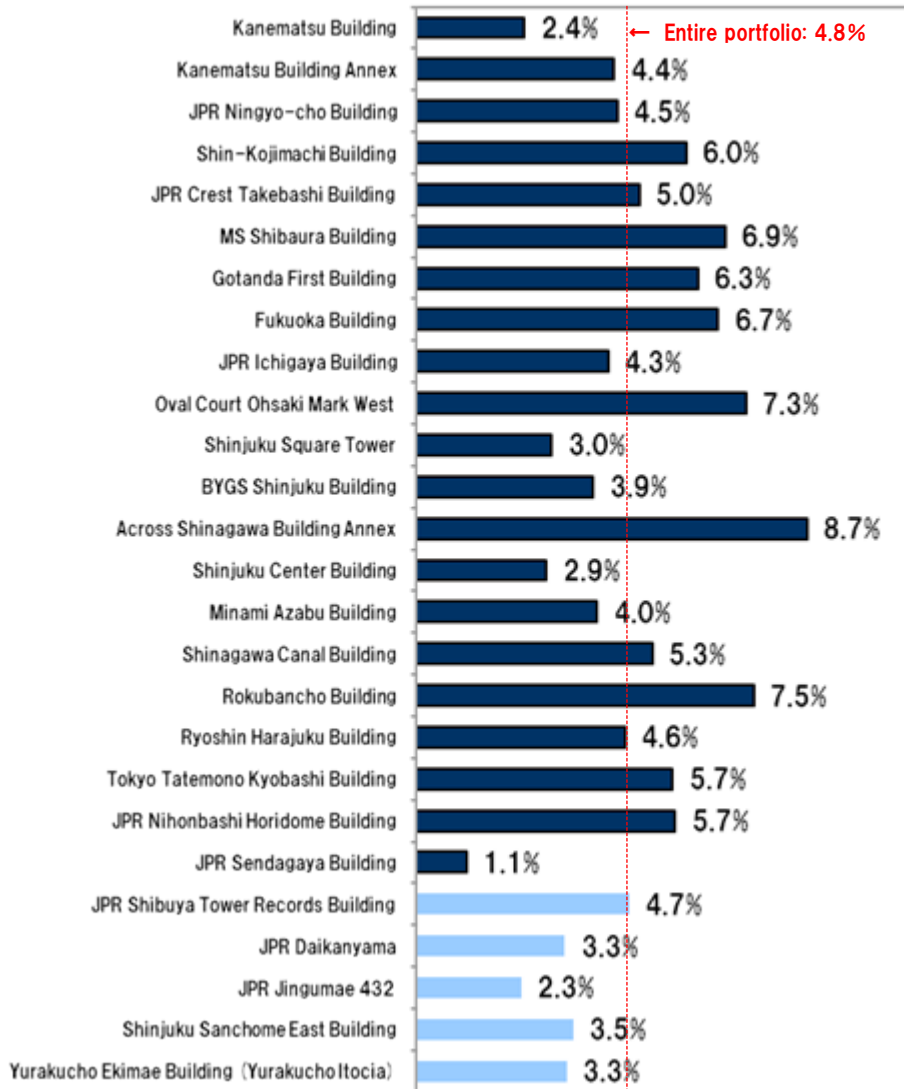
Appraiser	No.
Japan Real Estate Institute	1
Tanizawa Sogo Appraisal	2
Nippon Tochi-Tatemono	3
CB Richard Ellis	4
Daiwa Real Estate Appraisal Co., Ltd.	5
LCR	6
A Square	7
Japan Valuers	8

(*1) The Direct Capitalization Method is a method for determining income using the capitalization method (a method that determines the 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), which discounts the net income for a set period using the cap rate.

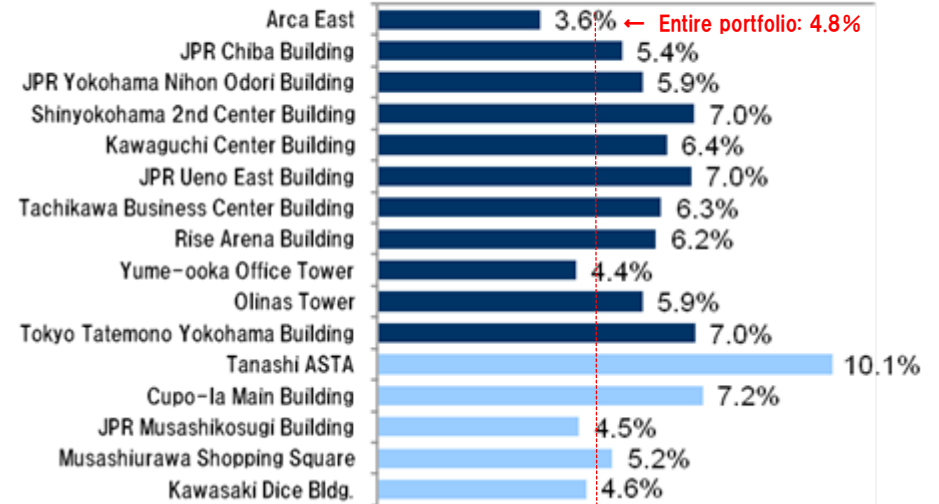
NOI Yield by Property for the 19th Fiscal Period

Portfolio NOI: 4.8% Office building NOI: 4.6% Retail property NOI: 5.2%

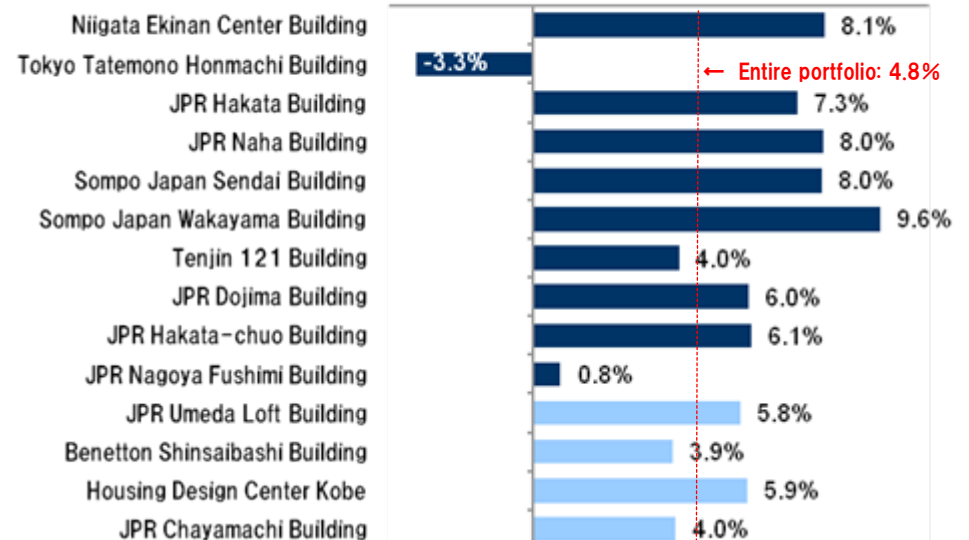
0.0% 2.0% 4.0% 6.0% 8.0% 10.0%



0.0% 2.0% 4.0% 6.0% 8.0% 10.0%



-4.0% -2.0% 0.0% 2.0% 4.0% 6.0% 8.0% 10.0%

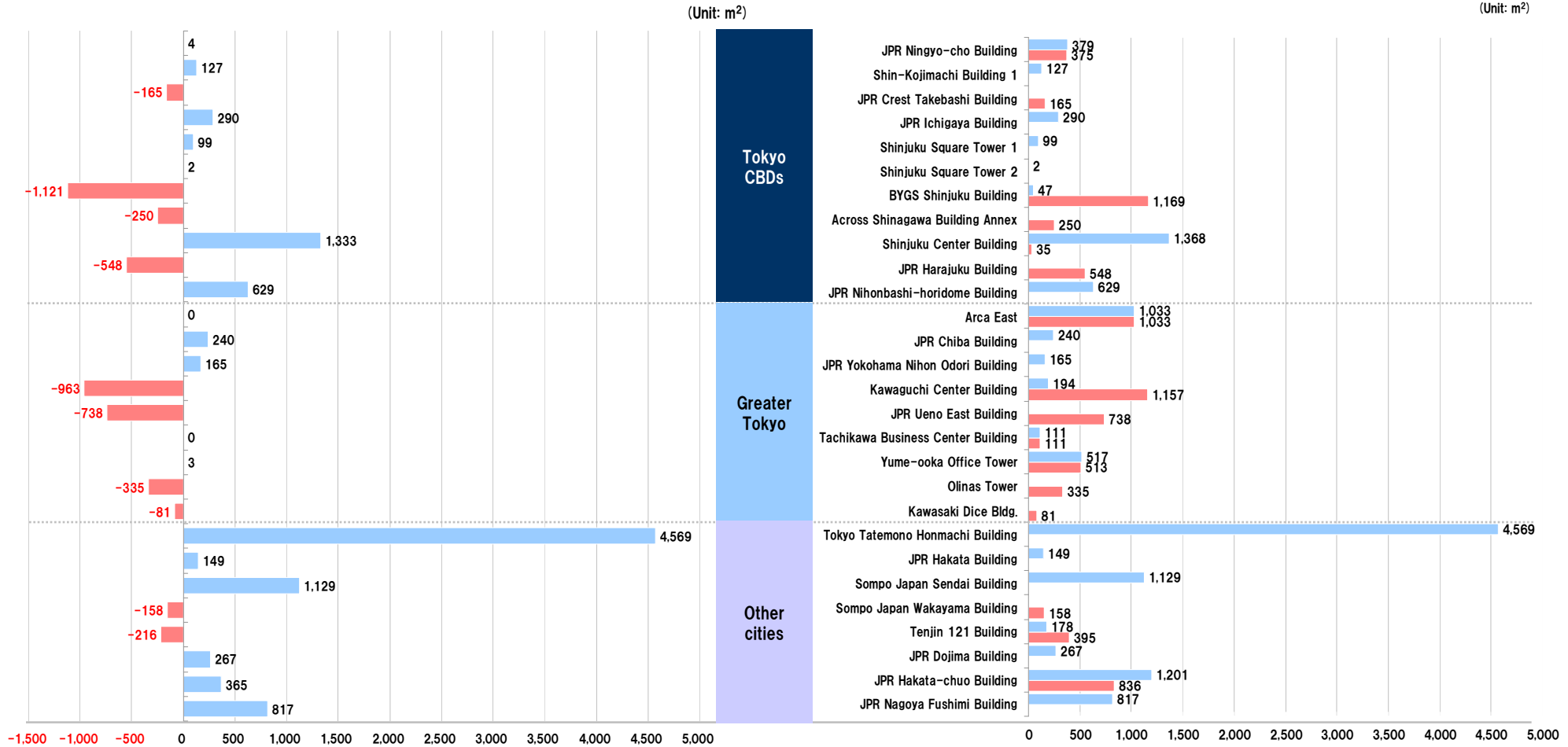


(Note) NOI yield = (Operating revenues - Operating expenses + Depreciation) x 365 / 184 ÷ Acquisition price. However, for properties acquired during the fiscal period, the annualized NOI yield has been calculated on a daily pro rata basis. The entered properties are those owned as of the end of the 19th fiscal period.

Contracting Status of Tenants by Property for the 19th Fiscal Period

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

Occupied / Vacated Floor Space by Property



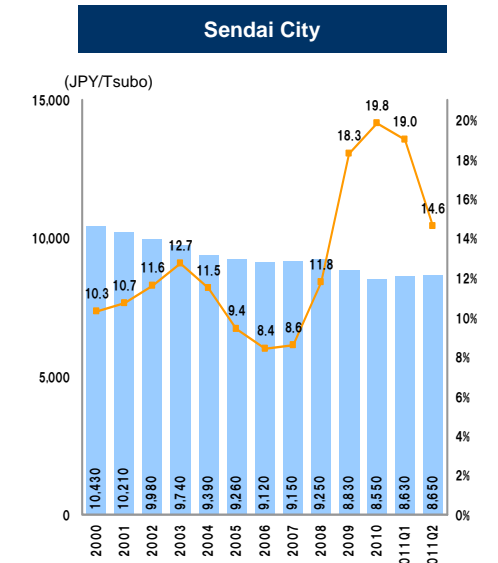
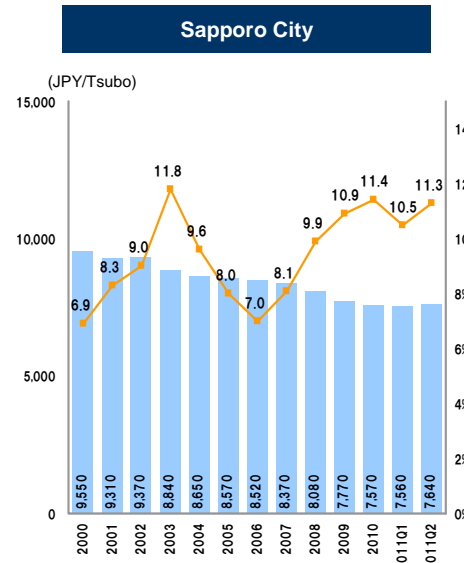
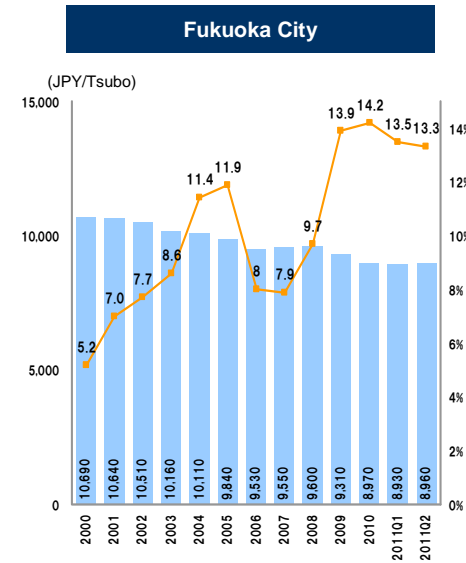
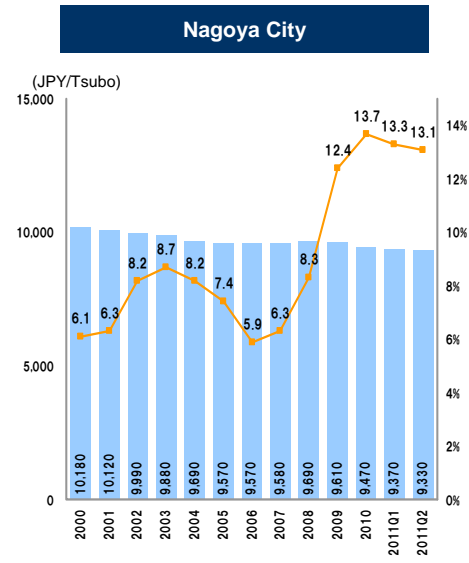
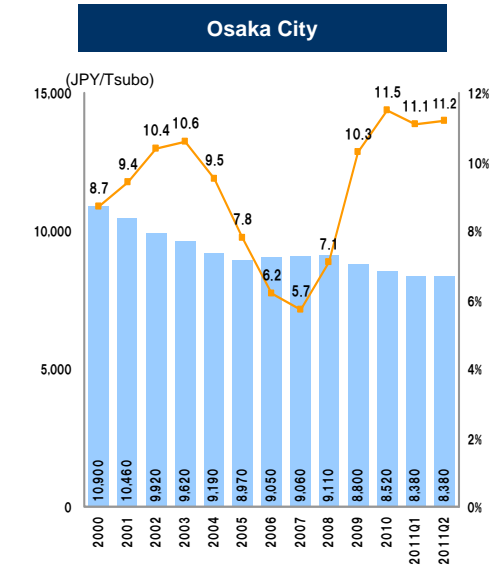
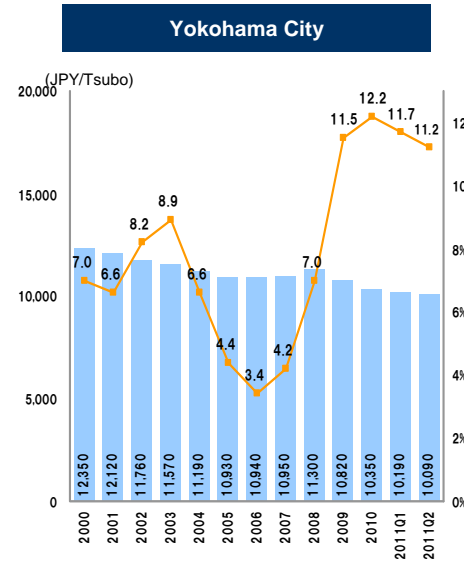
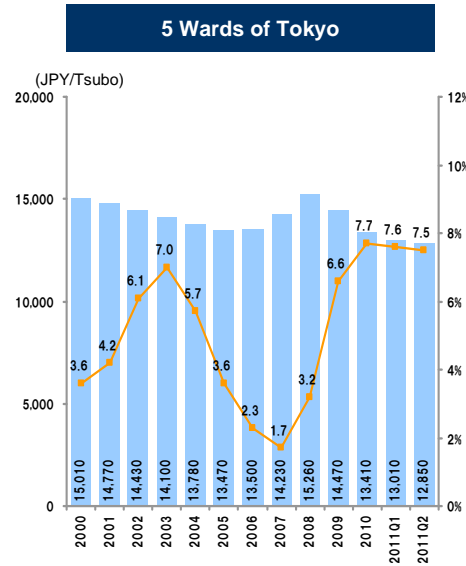
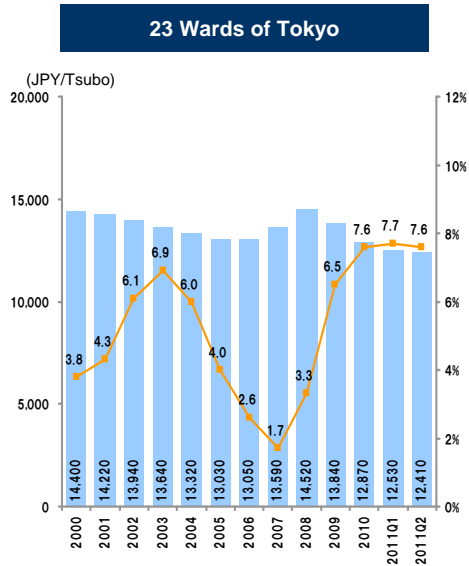
*The above graphs exclude properties at which there were no changes in tenants during the 19th fiscal period, but include changes in tenants from the amendment of lease contracts.

	Occupied	Vacated	Net
Office (Tokyo CBDs)	2,941	2,542	400
Office (Greater Tokyo)	2,260	3,887	-1,627
Office (Other cities)	8,310	1,388	6,922
Retail	0	81	-81
Total	13,511	7,897	5,614

Office Vacancy Rates and Average Advertised Rents in Major Investment Areas

Advertised rents Vacancy rate

(Rents are average advertised rents for relevant periods. Vacancy rates are those as of the end of each fiscal period for relevant periods.)



Overview of the Asset Manager

Tokyo Realty Investment Management, Inc.

- Provide opportunities for property acquisitions
- Provide information on property acquisitions and property sales
- Conduct tenant leasing
- Conduct property management
- Provide know-how in technical support



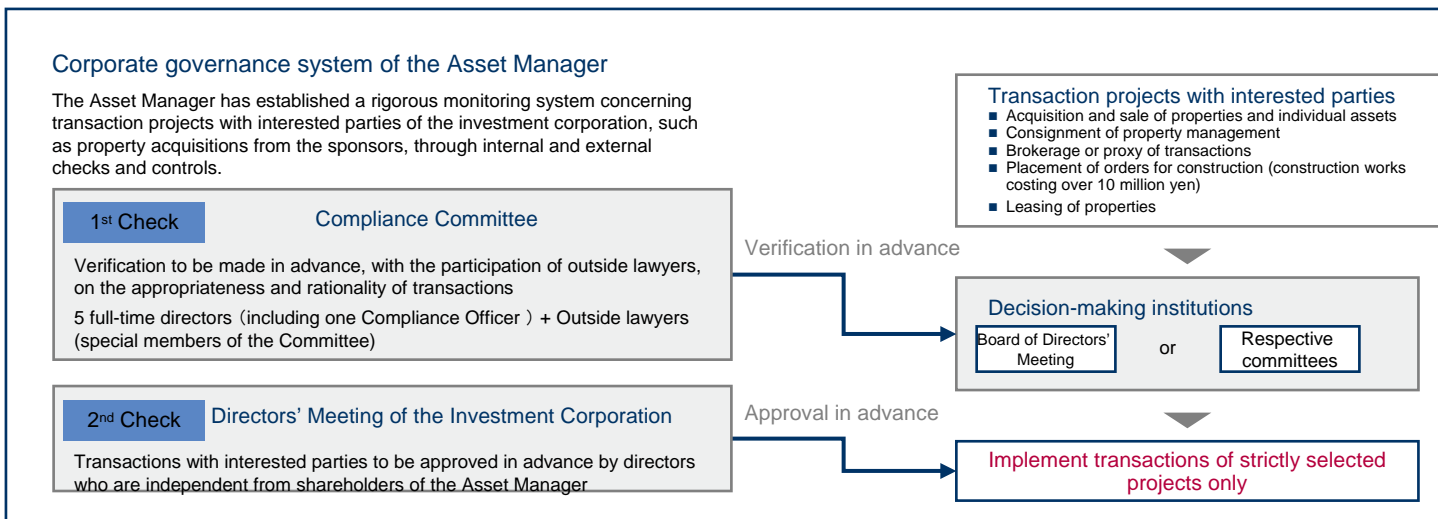
- Support establishing financial strategies
- Provide funds through debt financing

Take advantage of the strengths of the respective sponsors

The asset manager takes full advantage of the strengths in the areas of real estate and construction of Tokyo Tatemono Co., Ltd., Taisei Corporation and Yasuda Real Estate Co., Ltd., and the strengths held by Meiji Yasuda Life Insurance Company and Sompo Japan Insurance Inc. as financial institutions, while also utilizing the know-how of the respective sponsors and conducting operations in a well-balanced manner.



* Figures represent the ratio of shares owned by the respective sponsors against the number of shares outstanding of the Asset Manager.





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