



JAPAN PRIME REALTY INVESTMENT CORPORATION

Presentation Material

for the **23rd** Fiscal Period Ended June **2013**

August 19, 2013

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



(Asset Manager)

Tokyo Realty Investment Management, Inc.

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Financial Highlights

- n Distribution per unit (DPU) set at JPY 6,031 for the 23rd fiscal period ended June 2013, surpassing the JPY 5,800 announced at the beginning of the period
- n Income improved from forecast through new property acquisitions, improved occupancy rate, reduced borrowing costs, etc. despite recording of property and other taxes on Otemachi 1-6 Plan (JPY 817 million) as expenses starting in the 23rd fiscal period
- n Revenues increased with newly acquired properties (Omiya Prime East and Shinyokohama 2nd Center Building (additional ownership)) making contributions

	Previous (22nd) Period (Dec. 31, 2012)	Current (23rd) Period (Jun. 30, 2013) (Forecasts)	Current (23rd) Period (Jun. 30, 2013) (Results)	Change from previous Period		Change from forecasts	
Operating revenue	JPY12,963mn	JPY13,017mn	JPY13,278mn	JPY315mn	2.4%	JPY261mn	2.0%
Operating income	JPY6,765mn	JPY6,193mn	JPY6,385mn	-JPY380mn	-5.6%	JPY191mn	3.1%
Ordinary income	JPY5,026mn	JPY4,786mn	JPY4,975mn	-JPY50mn	-1.0%	JPY189mn	4.0%
Net income	JPY5,025mn	JPY4,785mn	JPY4,974mn	-JPY50mn	-1.0%	JPY189mn	4.0%
Distribution per unit (DPU)	JPY6,093	JPY5,800	JPY6,031	-JPY62	-1.0%	JPY231	4.0%
Total number of investment units outstanding	825,000units	825,000units	825,000units	- units	- %	- units	- %
Properties owned at end of fiscal period	59properties	59properties	60properties	1properties	1.7%	1properties	1.7%
Total acquisition price	JPY391,980mn	JPY391,980mn	JPY398,640mn	JPY6,660mn	1.7%	JPY6,660mn	1.7%
Period-end occupancy rate	94.9%	94.8%	96.9%	2.0%p	-	2.1%p	-
Period-average occupancy rate at end of month	94.4%	94.9%	95.6%	1.2%p	-	0.7%p	-
NOI yield	4.7%	4.5%	4.6%	-0.1%p	-	0.1%p	-
LTV (based on unitholders' capital)	48.5%	48.4%	49.4%	0.9%p	-	1.0%p	-
LTV (based on gains or losses from valuation)	47.5%	-	48.1%	0.6%p	-	-	-

(Note 1) The forecast for the current (23rd) fiscal period was made upon the announcement of financial results of the previous fiscal period.

(Note 2) LTV (based on unitholders' capital) = Interest-bearing debts / (interest-bearing debts + Unitholders' capital); LTV (based on gains or losses from valuation) = Interest-bearing debts / (Total assets at end of period + Gains or losses from real estate valuation)

(Note 3) Amounts have been rounded down to the nearest specified unit, and the percentage figures such as occupancy rates, LTVs and period-on-period changes have been rounded to the first decimal place.

Statement of Income and Retained Earnings

(JPY mn)

	Previous (22nd) Period (Jul. 1, 2012 - Dec. 31, 2012)		Current (23rd) Period (Jan. 1, 2013 - Jun. 30, 2013)		Change	
	Amount	%	Amount	%	Amount	%
Rental revenue	12,160	93.8%	12,509	94.2%	349	2.9%
Other rental revenue	803	6.2%	768	5.8%	-34	-4.3%
Rent revenue - real estate (1)	12,963	100.0%	13,278	100.0%	315	2.4%
Operating revenue	12,963	100.0%	13,278	100.0%	315	2.4%
Property and other taxes	1,025	7.9%	1,884	14.2%	859	83.8%
Other expenses related to rent business	2,663	20.5%	2,440	18.4%	-222	-8.4%
Outsourcing expenses	510	3.9%	505	3.8%	-5	-1.1%
Utilities expenses	833	6.4%	768	5.8%	-65	-7.9%
Casualty insurance	28	0.2%	26	0.2%	-1	-4.9%
Repairs and maintenance	378	2.9%	244	1.8%	-134	-35.6%
Property management fees	208	1.6%	213	1.6%	5	2.4%
Management association accounts	563	4.3%	563	4.2%	0	0.0%
Others	139	1.1%	119	0.9%	-20	-14.7%
Depreciation	1,831	14.1%	1,883	14.2%	52	2.8%
Expenses related to rent business (2)	5,519	42.6%	6,208	46.8%	688	12.5%
Asset management fees	465	3.6%	468	3.5%	3	0.8%
Adm. Service / custody fees	77	0.6%	78	0.6%	1	1.7%
Directors' compensation	6	0.1%	6	0.0%	-	-
Trust fees	40	0.3%	36	0.3%	-3	-8.6%
Other operating expenses	89	0.7%	94	0.7%	5	5.9%
Operating expenses	6,198	47.8%	6,893	51.9%	695	11.2%
Operating income	6,765	52.2%	6,385	48.1%	-380	-5.6%
Profits ((1) - (2))	7,443	57.4%	7,070	53.2%	-373	-5.0%
Net operating income (NOI)	9,275	71.5%	8,953	67.4%	-321	-3.5%
Non-operating income	10	0.1%	60	0.5%	49	481.6%
Interest expenses (incl. investment corporation bonds)	1,368	10.6%	1,304	9.8%	-63	-4.6%
Borrowing expenses	260	2.0%	138	1.0%	-122	-47.0%
Amortization of investment corporation bond issuance costs	20	0.2%	23	0.2%	3	16.4%
Investment unit issuance costs	98	0.8%	-	-	-98	-
Other non-operating expenses	2	0.0%	3	0.0%	1	66.8%
Non-operating expenses	1,749	13.5%	1,469	11.1%	-279	-16.0%
Ordinary income	5,026	38.8%	4,975	37.5%	-50	-1.0%
Income before income taxes	5,026	38.8%	4,975	37.5%	-50	-1.0%
Net income	5,025	38.8%	4,974	37.5%	-50	-1.0%
Unappropriated retained earnings	5,050	39.0%	4,998	37.6%	-51	-1.0%
Distributions per units (Note 1)	6,093yen		6,031yen		-62yen	
Total number of units outstanding at end of period	825,000units		825,000units		- units	

Rent revenue	
· Properties owned at end of 21st period:	+ 108mn yen
Increase by new move-ins:	+ 247mn yen
Decrease by cancellation:	- 196mn yen
Increase/decrease by contact revision:	+ 58mn yen
· Properties acquired 22nd period:	+ 79mn yen
· Properties acquired 23rd period:	+ 162mn yen

Other rental revenues

· Properties owned at end of 22nd period:	- 41mn yen
Incidental income:	- 85mn yen
· Properties acquired 23rd period:	+ 7mn yen

Expenses related to rent business

· Properties owned at end of 22nd period:	+ 666mn yen
Property and other taxes:	+ 853mn yen
(Otemachi 1-6 Plan (tentative name) (Land with Leasehold Interest):	+ 817mn yen)
Utilities expenses:	- 74mn yen
Repairs and maintenance:	- 134mn yen
· Properties acquired 23rd period:	+ 22mn yen

Other operating expenses

· Settlement of management association accounts:	+ 42mn yen
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Interest expenses

· Interest expenses for loans:	- 75mn yen
· Interest expenses for investment corporation bonds:	+ 11mn yen

Borrowing expenses

· Fees for early repayment:	- 104mn yen
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(Note 1) With regard to the distributions per unit, 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 and percentages have been rounded to the first decimal place.

Balance Sheet

(JPY mn)

	Previous (22nd) Period (As of Dec. 31, 2012)		Current (23rd) Period (As of Jun. 30, 2013)		Change	
	Amount	%	Amount	%	Amount	%
	Current assets	20,696	5.1%	22,895	5.6%	2,199
Cash and deposits	8,402	2.1%	10,852	2.6%	2,449	29.1%
Cash and deposits in trust	11,596	2.9%	11,568	2.8%	-27	-0.2%
Other current assets	697	0.2%	474	0.1%	-222	-31.9%
Noncurrent assets	381,111	94.8%	386,614	94.4%	5,502	1.4%
Property, plant and equipment	375,722	93.5%	381,290	93.1%	5,568	1.5%
Real estate	161,564	40.2%	160,138	39.1%	-1,426	-0.9%
Building and structures	49,594	12.3%	48,499	11.8%	-1,094	-2.2%
Land	111,970	27.9%	111,638	27.2%	-331	-0.3%
Real estate in trust	214,157	53.3%	221,152	54.0%	6,994	3.3%
Building and structures	55,278	13.8%	58,535	14.3%	3,257	5.9%
Land	158,879	39.5%	162,616	39.7%	3,737	2.4%
Intangible assets	4,799	1.2%	4,798	1.2%	-0	-0.0%
Leasehold rights	4,794	1.2%	4,794	1.2%	-	-
Other intangible assets	5	0.0%	4	0.0%	-0	-11.1%
Investments and other assets	589	0.1%	524	0.1%	-64	-11.0%
Lease and guarantee deposits	49	0.0%	49	0.0%	-	-
others	539	0.1%	475	0.1%	-64	-12.0%
Deferred assets	176	0.0%	205	0.1%	29	16.6%
Investment corporation bond issuance costs	176	0.0%	205	0.1%	29	16.6%
Total assets	401,984	100.0%	409,715	100.0%	7,731	1.9%
Current liabilities	35,659	8.9%	40,902	10.0%	5,243	14.7%
Accounts payable - other	2,580	0.6%	2,919	0.7%	339	13.2%
Advances received	2,461	0.6%	2,515	0.6%	54	2.2%
Short-term loans payable	-	-	-	-	-	-
Current portion of long-term loans payable	30,618	7.6%	30,468	7.4%	-150	-0.5%
Current portion of investment corporation bonds	-	-	5,000	1.2%	5,000	-
Noncurrent liabilities	169,156	42.1%	171,696	41.9%	2,539	1.5%
Tenant leasehold and security deposits	19,217	4.8%	20,006	4.9%	788	4.1%
Long-term loans payable	100,439	25.0%	100,190	24.5%	-249	-0.2%
Investment corporation bonds	49,500	12.3%	51,500	12.6%	2,000	4.0%
Total liabilities	204,815	51.0%	212,599	51.9%	7,783	3.8%
Unitholders' capital	192,044	47.8%	192,044	46.9%	-	-
Surplus	5,124	1.3%	5,072	1.2%	-51	-1.0%
Total net assets	197,168	49.0%	197,116	48.1%	-51	-0.0%
Total liabilities and net assets	401,984	100.0%	409,715	100.0%	7,731	1.9%

Cash and deposits status

(JPY mn)

	End of 22nd Period	End of 23rd Period	Change
Cash and deposits	19,998	22,420	+2,421
Tenant leasehold and security deposits (except tenant leasehold and security deposits) (Note)	19,122	19,911	+788

(Note) Amount equivalent to leasehold deposits released from tenants (9,500 million yen at end of 22nd period and 9,500 million yen at end of 23rd period) are excluded.

Noncurrent assets

(JPY mn)

Property acquisition	+6,660
Capital expenditure	+594
Depreciation	-1,883
Others	+131
Total	+5,502

Interest-bearing debt status

(JPY mn)

	New procurement	Repayment/redemption	Change
Short-term loans payable	7,000	7,000	-
Long-term loans payable	11,820	12,219	-399
Investment corporation bonds	7,000	-	+7,000
Total	25,820	19,219	+6,601

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

Acquired Blue-Chip Office Property in the Tokyo Area: Omiya Prime East

- Acquired a relatively-newly built, blue-chip office property with NOI yield of 7.0% (actual value for the 23rd fiscal period) in March 2013 in a negotiated deal
- The Omiya area has seen steady demand growth over recent years for office spaces as operational bases to cover wide-ranging areas north of the Kanto region, and formed a stable office property leasing market with average vacancy rate of 5.0% (Note)
- The property is one of the highest grade buildings in the area around the east exit of Omiya Station where it is located, with approximately 240 tsubos of leasable space on a standard floor and a ceiling height of 2.8m on top of being relatively new, and JPR acknowledged its strong competitive advantage.
- Long-term lease agreements have been executed with some tenants in order to enhance the stability of earnings

(Note) The descriptions are based on the Japan Office Market View (Q2 2013) publicized by CBRE.

Location map



6-minute walk from Omiya Station on the JR Keihin Tohoku Line, Takasaki Line, Utsunomiya Line and Tohoku/Joetsu Shinkansen Line, etc.

Exterior



1. Property Overview

Location	1-1, etc. Shimo-cho, 2-chome, Omiya-ku, Saitama-Shi, Saitama
Completion	February 2009
Total floor space	9,203.98m ²
Type of ownership	Ownership

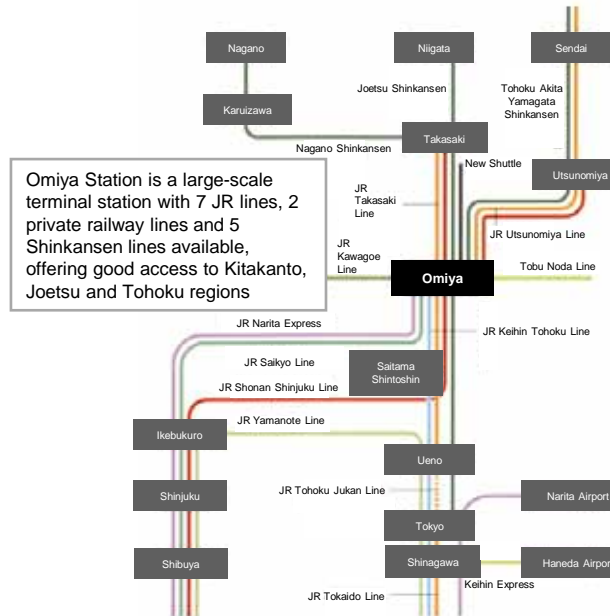
2. Transaction Summary

Seller	Domestic company
Asset type	Beneficiary interest in real estate
Acquisition price	6,090 million yen
Appraisal value	6,270 million yen (as of March 1, 2013)
Acquisition date	March 22, 2013

3. Yield (Current Base)

NOI yield	[Assumed NOI yield upon acquisition]	6.1%
	[Actual NOI yield for current period]	7.0%
	(Reference) Portfolio average:	4.6%

(Note) The "assumed NOI yield upon acquisition" has been calculated by dividing the NOI, which is based on assumed income and expenditures for the 12 months in which the acquisition was made and exclusive of extraordinary factors, by the acquisition price. The "actual NOI yield for current period" has been calculated by dividing the real NOI, which deducts the amount equivalent to the property and other taxes to be included in the acquisition price upon acquisition from the annualized value of the actual NOI for the 23rd fiscal period ended June 2013, by the acquisition price. Each figure has been rounded to the first decimal place.



Elevator Hall



Acquired Additional Ownership Utilizing Preferential Negotiation Rights: Shinyokohama 2nd Center Building

- Already having the 50% co-ownership of the property, JPR achieved its full ownership by utilizing preferential negotiation rights to acquire additional ownership in March 2013
- The additional ownership was acquired with NOI yield at 9.0% (actual value for the 23rd fiscal period), turning the entire property around to represent a gain on valuation of real estate
- Located in Shinyokohama, which has a concentration of companies with growth potential, centering on IT companies, the property is faced with the major street in front of the station, with its external appearance having superior visibility

Location map



5-minute walk from Shin-Yokohama Station on the JR Yokohama Line and Tokaido Shinkansen Line, and 3-minute walk from Shin-Yokohama Station on the Yokohama Municipal Subway Line

Exterior



Inside of an office



1. Property Overview

Location	19-5, etc. 3-chome, Shinyokohama, Kohoku-ku, Yokohama-shi, Kanagawa
Completion	August 1991
Total floor space	7,781.93m ² (entire building)
Type of ownership	Ownership

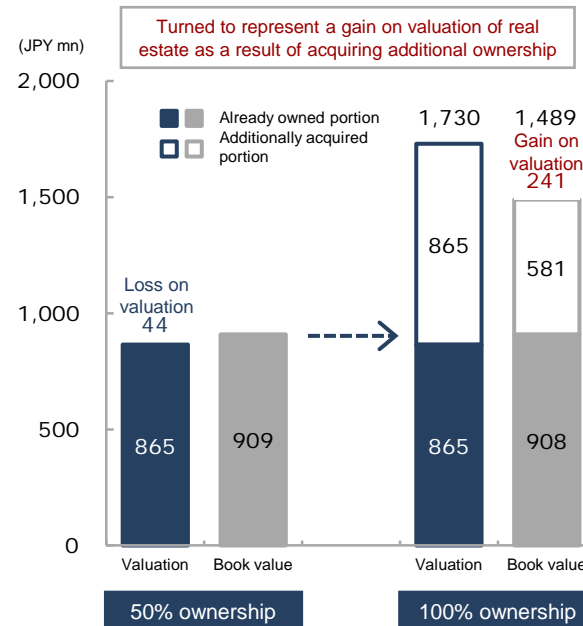
2. Transaction Summary

Seller	Domestic TMK
Asset type	Beneficiary interest in real estate
Acquisition price	570 million yen
Appraisal value	870 million yen (as of February 1, 2013)
Acquisition date	March 28, 2013

3. Yield (Current Base)

NOI yield	[Assumed NOI yield upon acquisition]	7.9%
	[Actual NOI yield for current period]	9.0%
(Reference) Portfolio average:		4.6%

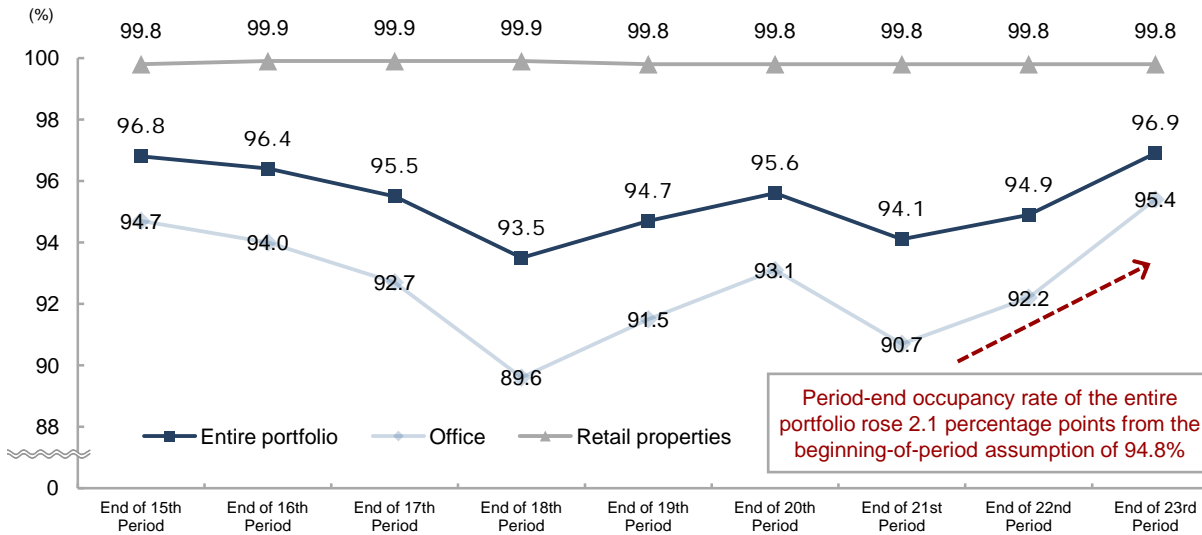
(Note) The "assumed NOI yield upon acquisition" has been calculated by dividing the NOI, which is based on assumed income and expenditures for the 12 months in which the acquisition was made and exclusive of extraordinary factors, by the acquisition price. The "actual NOI yield for current period" has been calculated by dividing the real NOI, which deducts the amount equivalent to the property and other taxes to be included in the acquisition price upon acquisition from the annualized value of the actual NOI for the 23rd fiscal period ended June 2013, by the acquisition price. Each figure has been rounded to the first decimal place.



Occupancy Rate Rose Significantly, Surpassing Beginning-of-Period Assumption

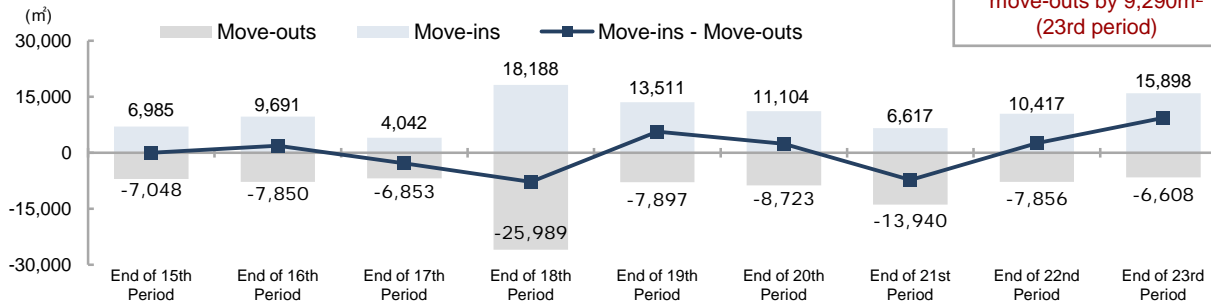
- n The occupancy rate for the 23rd fiscal period ended June 2013 rose to 96.9%, up 2.1 percentage points over the beginning-of-period assumption of 94.8%
- n The increase was primarily due to steady progress in leasing results for large properties in Greater Tokyo

Changes in Period-End Occupancy Rates of Properties



(Note 1) The figures represent the ratio of total leased space to total leasable space.
 (Note 2) The figures have been rounded to the first decimal place.

Changes in Move-In and Move-Out Spaces



Changes in Occupancy Rate at End of Period by Property

Property name	End of 22nd Period (%)	End of 23rd Period (%)	Change
[Properties with an increase]			
Tokyo Tatemono Honmachi Bldg. *	77.6	94.9	+17.3p
Arca East	77.5	93.1	+15.6p
Kawaguchi Center Bldg.*	77.8	92.9	+15.1p
Sompo Japan Wakayama Bldg.*	84.9	98.3	+13.4p
JPR Crest Takebashi Bldg.	58.5	70.6	+12.1p
Olinas Tower*	92.7	99.1	+6.4p
Yume-ooka Office Tower *	86.9	91.3	+4.4p
[Properties with a decrease]			
JPR Dojima Bldg.	100.0	83.6	-16.4p
Shinagawa Canal Bldg.	100.0	89.9	-10.1p
Sompo Japan Sendai Bldg.	98.4	95.3	-3.1p

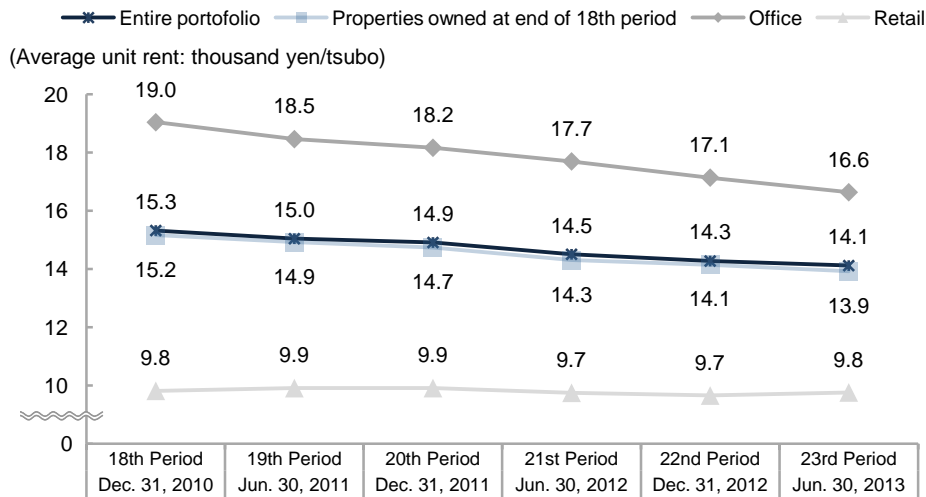
- n The * mark in the above table indicates properties with occupancy rate surpassing the beginning-of-period assumption (comparison with assumption)
 Olinas Tower: +6.4%p, Kawaguchi Center Bldg.: +15.5%p, Yume-ooka Office Tower: +11.2%p, Tokyo Tatemono Honmachi Bldg.: +15.2%p, Sompo Japan Wakayama Bldg.: +13.4%p
- n Contracts for large spaces increased at properties where it had been difficult to increase occupancy
 Olinas Tower: 3,633 m², Kawaguchi Center Bldg.: 2,718 m², Tokyo Tatemono Honmachi Bldg.: 1,240 m², etc.
- n There were increases in relocation for expansion, expansion of leased space within the same building and new establishment of operation base, etc.
- n Demand increased from such business categories as call centers, financial institutions and housing-related industries
- n New move-ins made a good progress, while cancellations were within the beginning-of-period assumption

(Note) The table shows the ratio of total leased space to leasable space for each property, rounded to the first decimal place.

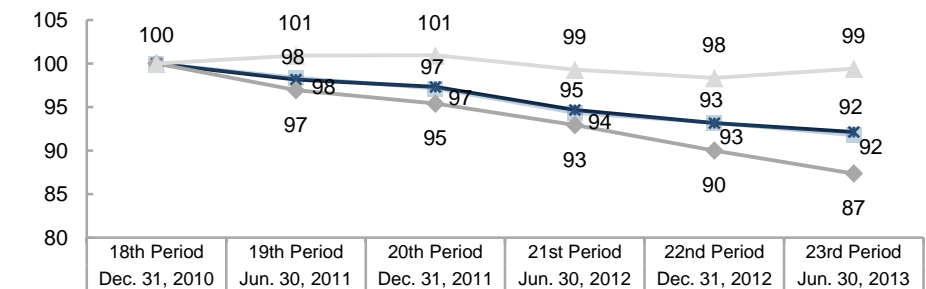
Impact of Contract Renewal with Downward Revision of Rents Decreasing

- n Although the average unit rent for office properties decreased moderately, rents for retail properties remained stable to prevent the average rent for the entire portfolio from decreasing accordingly
- n The decrease in the average unit rent was caused primarily by the narrowing of rent gaps through tenant replacement and an increase in lease contracts concluded during the fiscal period for properties with relatively low unit rents, and the impact of the contract renewal with downward revision of rents is on a decreasing trend.

Changes in Average Rent

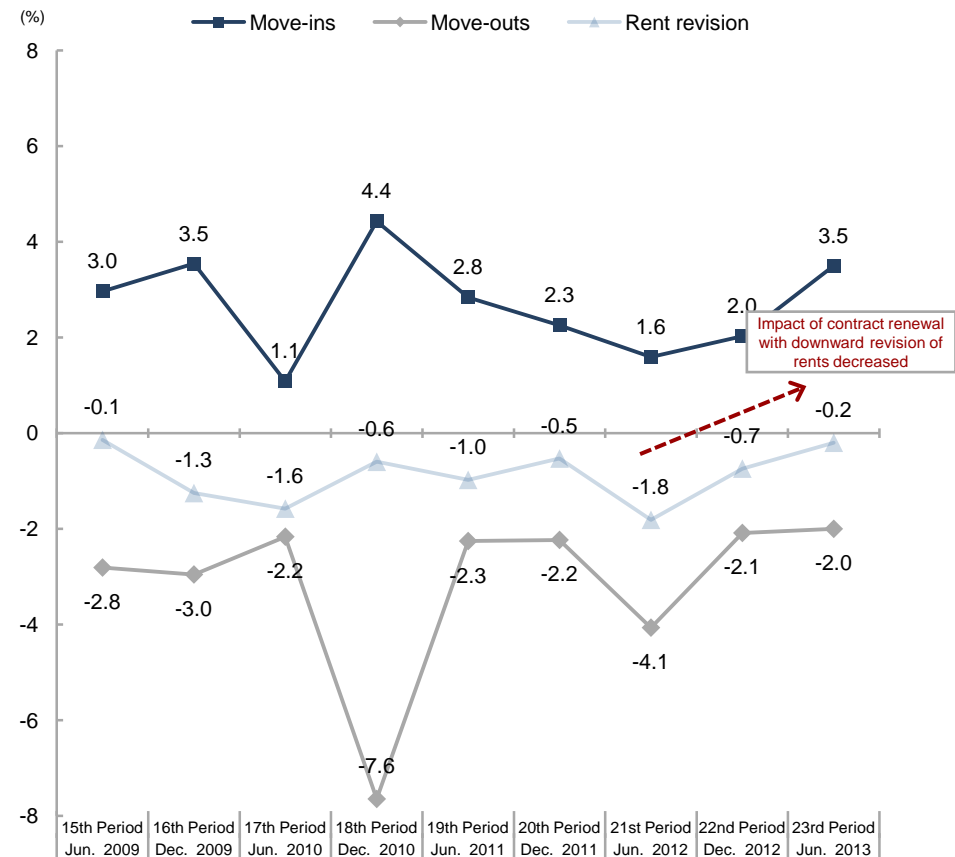


(Indexed with 18th fiscal period set at 100)



(Note) The graph shows the monthly rent per tsubo of occupied spaces including common charges at each point of time. Values for the properties owned at end of 18th fiscal period are the average unit rent for properties owned continuously from end of 18th fiscal period through end of 23rd fiscal period.

Changes in Move-ins, Move-outs and Revision of Rents



(Note) The figures represent the ratio of changes in monthly rent due to move-ins, move-outs or rent revisions to the total monthly rent (including common charges) for each fiscal period. The ratio of changes due to rent revisions includes upward revisions under escalation rent and other reasons. Figures have been rounded to the first decimal place.

Conservative Financial Operations Continued

- n Conducted financial operations with ratio of interest-bearing debt (LTV) set at the target range of up to 50% (based on unitholders' capital) as a rule
- n Procured long-term, fixed interest rate debts as a basic policy for interest-bearing debts, and maintained the ratio of long-term, fixed interest rate debt at a high level

Financial Data

	End of 22nd Period Dec. 31, 2012	As of Aug. 19, 2013	Change
LTV (based on unitholders' capital)	48.5%	49.4%	+0.9%p
LTV (based on total assets at end of period)	44.9%	45.7%	+0.8%p
LTV (based on gains or losses from valuation at end of period)	47.5%	48.1%	+0.6%p
Ratio of long-term, fixed interest rate debts (*Ratio of long-term, fixed interest rate debt including current portion)	81.2% (98.1%)	79.2% (98.2%)	-2.0%p (+0.1%p)
Maturity of long-term interest-bearing debts	3.89 years	4.00 years	+0.11 years
Average interest rate of long-term interest-bearing debts	1.47%	1.27%	-0.20%p

(Note 1) The total assets and gains or losses from valuation for the LTV as of August 19, 2013 have been calculated based on the values on June 30, 2013.

(Note 2) Ratio of long-term, fixed interest rate debt: Long-term interest-bearing debts with fixed interest (excluding current portion) / interest-bearing debts

(Note 3) Maturity of long-term interest-bearing debts is a weighted average of the remaining period to maturity at the respective dates, calculated in accordance with the balance of respective interest-bearing debts, for long-term interest-bearing debts maturing in more than one year. Average interest rate of long-term interest-bearing debts is a weighted average of interest rate at the respective dates, calculated in accordance with the balance of respective interest-bearing debts, for long-term interest-bearing debts maturing in more than one year.

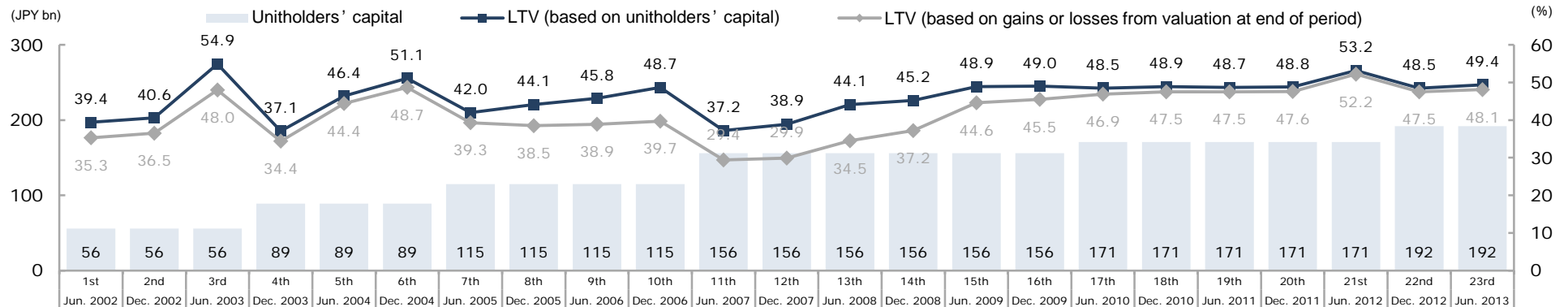
(Note 4) Figures have been rounded to the nearest specified unit.

Corporate Credit Rating

(as of August 19, 2013)

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

Changes in Unitholders' Capital and Ratio of Interest-Bearing Debts (LTV)



(Note) Unitholders' capital has been rounded down to the nearest specified unit, and LTVs have been rounded to the first decimal place.

Interest-Bearing Debt Costs Reduced and Shift to Long-Term, Fixed Interest Rate Debts Promoted

- n Reduction of interest-bearing debt costs and promotion of shift to long-term, fixed interest rate debts realized by refinances of long-term borrowings that matured in the 23rd fiscal period
- n Issued the Seventeenth and the Eighteenth Series of Investment Corporation Bonds in May 2013, following the issuance made in November 2012

Borrowings and Issuance of Bonds Made (23rd Fiscal Period)

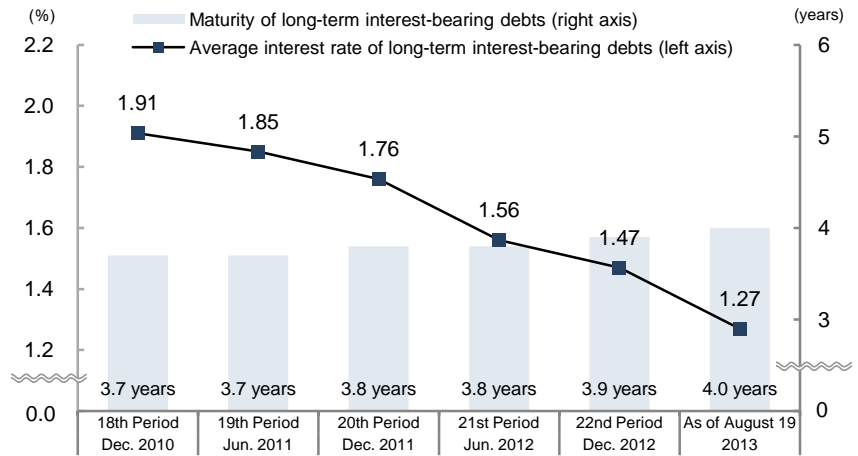
Drawdown date	Lender	Loan amount	Term	Interest rate
Feb. 4	Mizuho Trust & Banking Co., Ltd.	3,000	7 years	1.076%
	The Shinkumi Federation Bank	3,000	5 years	0.786%
	ORIX Bank Corporation	1,000	5 years	0.786%
Jun. 4	Taiyo Life Insurance Company	1,000	5 years	0.949%
Jun. 27	Sumitomo Mitsui Bank Corporation	3,000	7 years	1.265%
	Development Bank of Japan Inc.	820	8 years	1.449%
Total and average		11,820	6.2 years	1.041%

(Reference) Terms before Refinances

Term	Interest rate
3 years	1.376%
3 years	1.376%
3 years	1.376%
3 years	1.376%
7 years	1.858%
3 years	1.190%
3.2 years	1.740%
3.4 years	1.395%

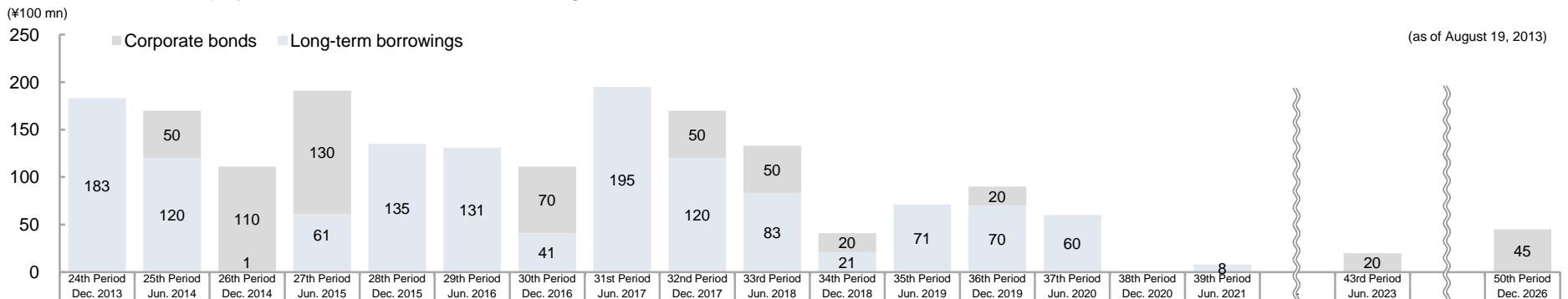
Issue date	Name	Issue amount	Redemption	Interest rate
May 31	17th Series of Corporate Bonds	5,000	5 years	0.65%
	18th Series of Corporate Bonds	2,000	10 years	1.46%
Total and average		7,000	6.4 years	0.88%

Changes in Maturity and Average Interest Rate of Long-Term Interest-Bearing Debts



(Note) Maturity of long-term interest-bearing debts is a weighted average of the remaining period to maturity at the respective dates, calculated in accordance with the balance of respective interest-bearing debts, for long-term interest-bearing debts maturing in more than one year, and is rounded to the first decimal place. Average interest rate of long-term interest-bearing debts is a weighted average of interest rate at the respective dates, calculated in accordance with the balance of respective interest-bearing debts, for long-term interest-bearing debts maturing in more than one year, and is rounded to the second decimal place.

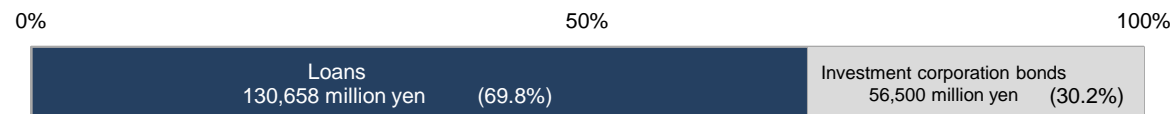
Diversification of Repayment Dates of Interest-Bearing Debts



Diversification of Lenders and Utilization of Investment Corporation Bonds

- n Established a lender formation with 27 financial institutions, making it the basic policy to do business with them in negotiated deals
- n Issued investment corporation bonds in a dynamic and flexible manner since listing, aiming to diversify lenders and reduce financing costs

Ratio of Balances between Loans and Investment Corporation Bonds



Status of Borrowings

Lender	Balance as of Jun. 30, 2013 (JPY mn)	Security	Lender	Balance as of Jun. 30, 2013 (JPY mn)	Security	
Mizuho Corporate Bank, Ltd.	22,200	Unsecured Unguaranteed Non- subordinated	Taiyo Life Insurance Company	3,000	Unsecured Unguaranteed Non- subordinated	
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	18,336		The Chugoku Bank, Ltd.	3,000		
Sumitomo Mitsui Bank Corporation	13,000		The Nishi-Nippon City Bank, Ltd.	3,000		
Aozora Bank, Ltd.	7,900		Zenkyoren (The National Mutual Insurance Federation of Agricultural Cooperatives)	2,000		
Shinsei Bank, Limited	7,000		Daido Life Insurance Company	2,000		
Mizuho Trust & Banking Co., Ltd.	7,000		The Hachijuni Bank, Ltd.	2,000		
Mitsubishi UFJ Trust and Banking Corporation	7,000		Resona Bank, Limited	2,000		
The Bank of Fukuoka, Ltd.	5,000		The Iyo Bank, Ltd.	1,000		
Development Bank of Japan Inc.	4,020		Tokyo Tomin Bank Limited (Note 2)	1,000		
Sumitomo Life Insurance Company	4,000		The Bank of Yokohama, Ltd. (Note 2)	1,000		
Sompo Japan Insurance Inc.	4,000		The Minato Bank, Ltd. (Note 2)	800		
Meiji Yasuda Life Insurance Company	3,802		The Yamaguchi Bank, Ltd. (Note 2)	500		
ORIX Bank Corporation	3,000		The Chiba Kogyo Bank, Ltd. (Note 2)	100		
The Shinkumi Federation Bank	3,000					
Total borrowings			130,658			

Status of Corporate Bonds

Name	Balance as of Jun. 30, 2013 (JPY mn)	Security	
3rd Series of Corporate Bonds	5,000	Unsecured Unguaranteed Non- subordinated	
6th Series of Corporate Bonds	5,000		
7th Series of Corporate Bonds	4,500		
9th Series of Corporate Bonds	6,000		
11th Series of Corporate Bonds	6,000		
12th Series of Corporate Bonds	7,000		
13th Series of Corporate Bonds	7,000		
14th Series of Corporate Bonds	2,000		
15th Series of Corporate Bonds	5,000		
16th Series of Corporate Bonds	2,000		
17th Series of Corporate Bonds	5,000		
18th Series of Corporate Bonds	2,000		
Balance of corporate bonds			56,500
Total interest-bearing liabilities			187,158

Status of Commitment Line Contract

Lenders	Balance as of Jun. 30, 2013 (JPY mn)
Mizuho Corporate Bank, Ltd.	4,000
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	4,000
Sumitomo Mitsui Bank Corporation	4,000
Aozora Bank, Ltd.	4,000
Mizuho Trust & Banking Co., Ltd.	4,000
Mitsubishi UFJ Trust and Banking Corporation	4,000
Resona Bank, Limited	4,000
Total commitment line	28,000

(Note 1) All long-term borrowings except for those in (Note 2) are fixed interest rate debts.

(Note 2) These are borrowings made through originating a syndicated loan.

(Note 3) Mizuho Corporate Bank, Ltd. was renamed to Mizuho Bank, Ltd. on July 1, 2013 in accordance with the merger with Mizuho

Appraisal Trends in the 23rd Fiscal Period Ended June 2013

n Similar to the 22nd fiscal period, the number of properties with increased appraisal values in line with a decrease in cap rates increased in the 23rd fiscal period, showing a decreasing trend in unrealized losses.

Overview of Appraisal Results at End of 23rd Fiscal Period

	End of 22nd Period Dec. 31, 2012	End of 23rd Period Jun. 30, 2013	Change
Number of properties	59	60	+1
Appraisal value	JPY358,816 million	JPY365,214 million	+JPY6,398 million
Book Value	JPY380,518 million	JPY386,086 million	+JPY5,567 million
Unrealized gains	-JPY21,702 million	-JPY20,872 million	+JPY830 million
Ratio of unrealized gains or losses	-5.7%	-5.4%	+0.3%pt

End of 23rd Period (Excluding property acquired in the period)	Change
59	-
JPY358,079 million	-JPY737 million
JPY379,218 million	-JPY1,300 million
-JPY21,139 million	+JPY563 million
-5.6%	+0.1%pt

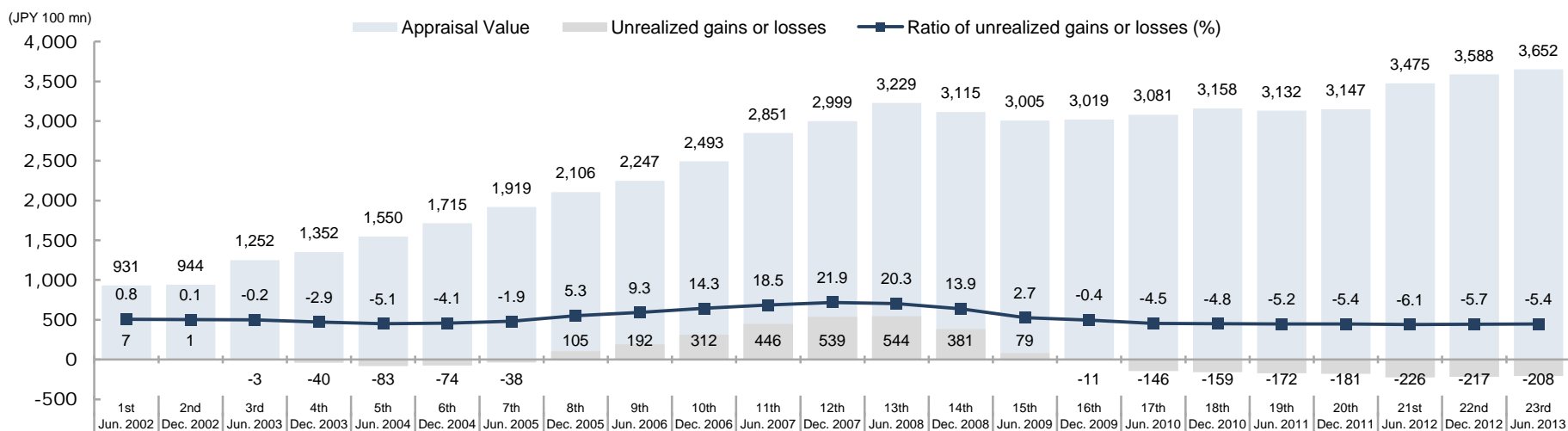
		End of 22nd Period Dec. 31, 2012		End of 23rd Period Jun. 30, 2013	
Period-on-period comparison of appraisal value at end of period	Increase	22	37.3%	26	42.6%
	Unchanged	18	30.5%	18	29.5%
	Decrease	19	32.2%	17	27.9%
Period-on-period comparison of cap rate	Increase	17	28.8%	18	29.5%
	Unchanged	38	64.4%	42	68.9%
	Decrease	4	6.8%	1	1.6%

(Note 1) Ratio of unrealized gains or loss = Unrealized gains or losses / book value x 100

(Note 2) Amounts have been rounded down to the nearest million yen, and the ratio of unrealized gains or losses have been rounded to the first decimal place.

(Note) The figures represent the number and ratio of properties that had changes from the previous fiscal period in their appraisal values and cap rates. (For properties acquired in the 23rd fiscal period, changes from the appraisal values and cap rates at the time of their acquisitions are taken into account.) Furthermore, Shinyokohama 2nd Center Building (additional ownership) and Shinyokohama 2nd Center Building (existing portion) are separated and counted as one property for each.

Change in Appraisal Value and Unrealized Gains

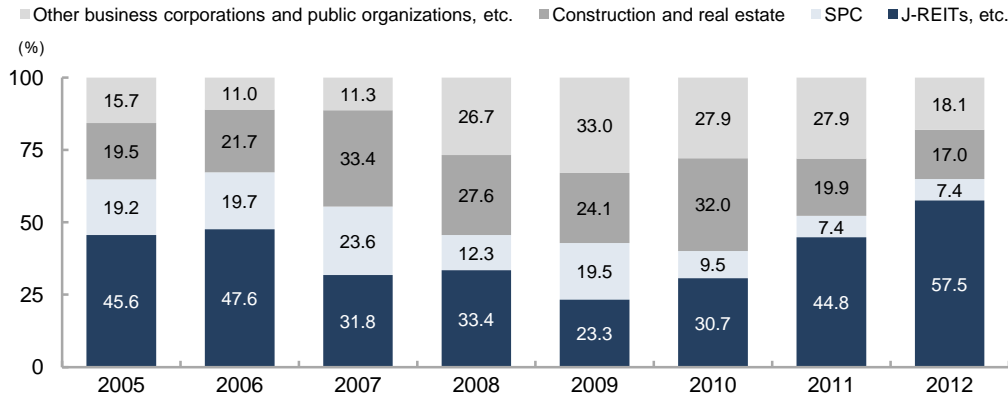


(Note) Amounts have been rounded down to the nearest hundred million yen, and the ratio of unrealized gains or losses have been rounded to the first decimal place.

Information on Blue-Chip Properties in the Transaction Market Showing an Increasing Trend

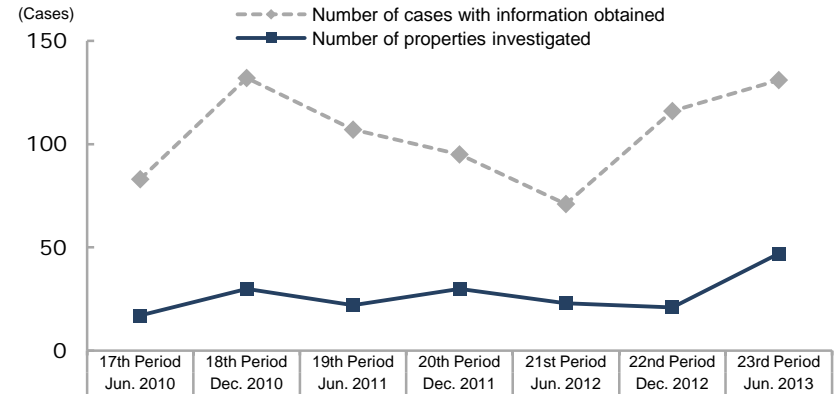
- n In terms of property acquisition trends by business sector, the majority of acquisitions were made by J-REITs, which led the transaction market
- n Property information obtained by the Asset Manager (TRIM) has been increasing since the 22nd fiscal period, with office properties in Tokyo referred to most frequently

Changes in Breakdown of Acquisition Values by Business Sector

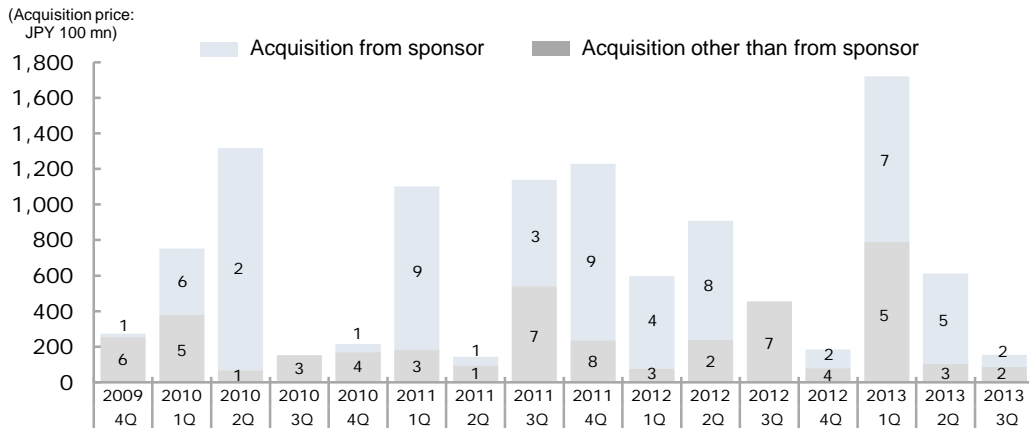


(Note) Prepared by Tokyo Realty Investment Management, Inc. based on Survey on Actual Real Estate Transactions by Urban Research Institute Corporation

Changes in Number of Cases with Property Information Obtained and Investigated by TRIM

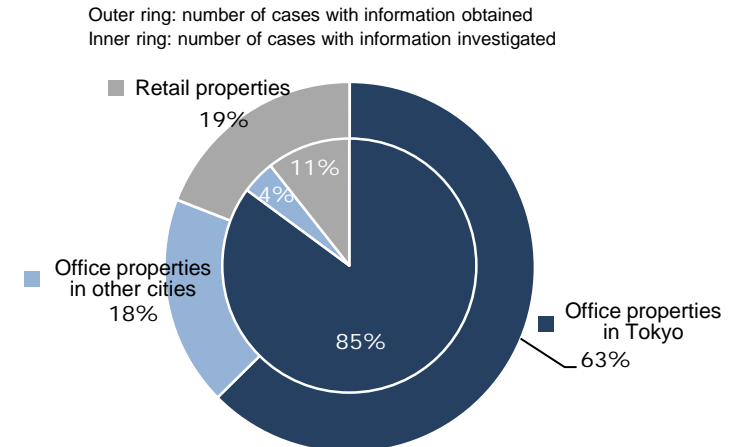


Changes in Acquisition Results of Office Buildings in Tokyo by J-REITs



(Note) Prepared by Tokyo Realty Investment Management, Inc. based on press releases by respective J-REITs, with acquisition prices rounded off to the nearest specified unit. 1Q refers to the period from January to March and subsequent quarters refer to the 3-month periods thereafter.

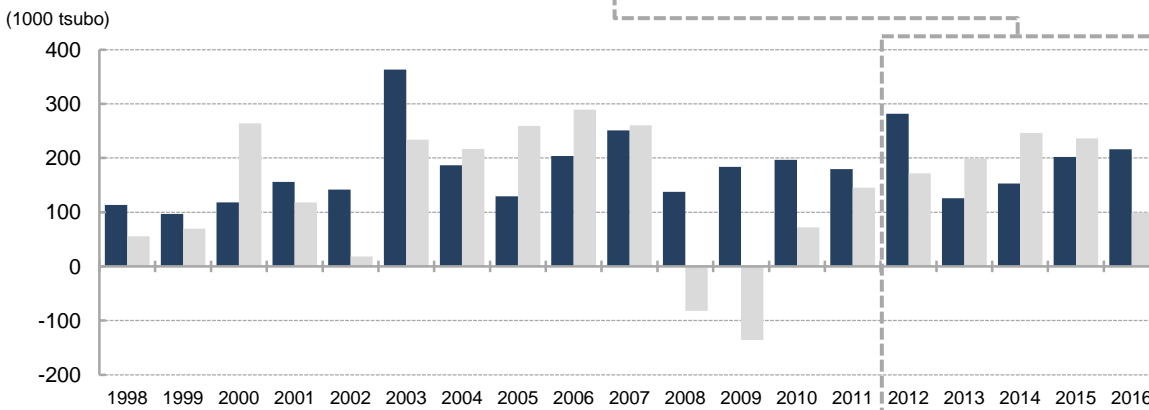
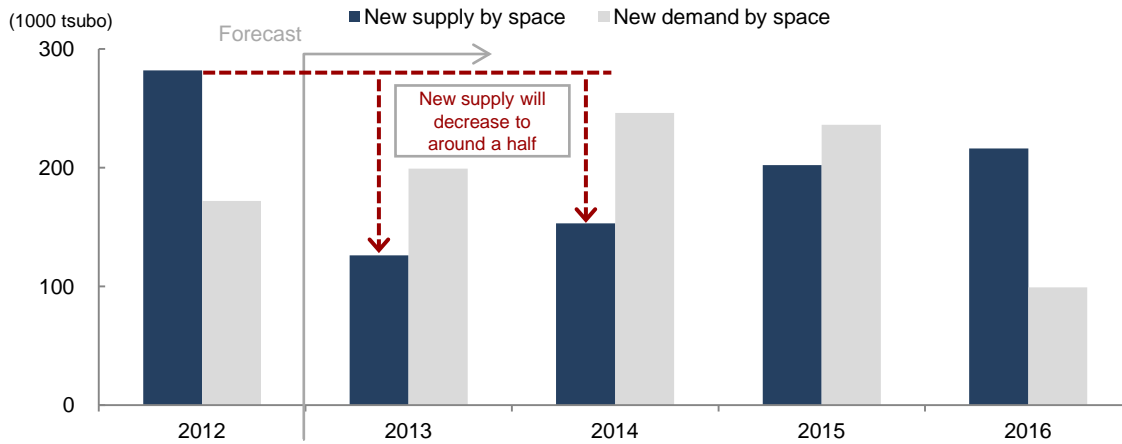
Breakdown of Number of Cases with Property Information Obtained and Investigated by TRIM (End of 23rd Period)



New Demand Is Anticipated to Grow Strongly in Contrast to New Supply Decreasing

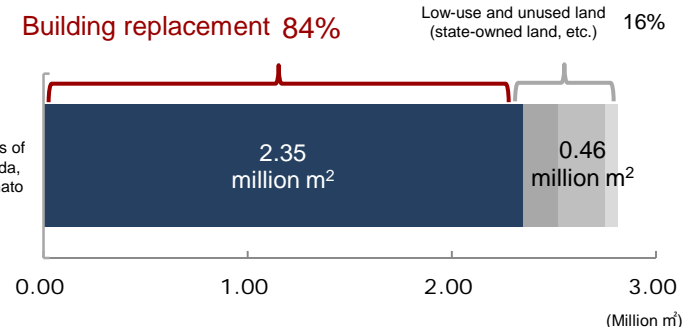
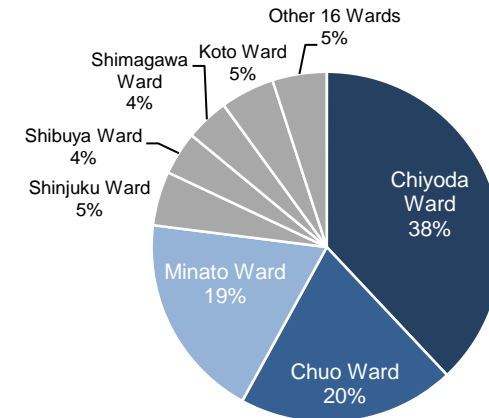
- n New supply of office properties in Tokyo in 2013 through 2014 will be only around a half of 2012 in volume, keeping the vacancy rate on a downward trend for some time
- n Although new supply is forecasted to increase by space in 2015 through 2016, its impact will probably be limited as approximately 80% of the total space newly supplied in 2013 through 2016 will be in the three central wards of Tokyo where over 80% is for building replacement

Forecast of New Supply and New Demand by Space in the 23 Wards of Tokyo



(Note) Prepared by Tokyo Realty Investment Management, Inc. based on the Real Estate Market Research Report (surveyed in Apr. 2013) by Sumitomo Mitsui Trust Research Institute Co., Ltd., using actual results by CBRE for figures through 2012 and forecast by Sumitomo Mitsui Trust Research Institute based on economic forecasts for figures in 2013 and after.

Supply of Office Properties in 23 Wards of Tokyo Broken by Ward and Supply Trend by Development Site (2013 – 2016)

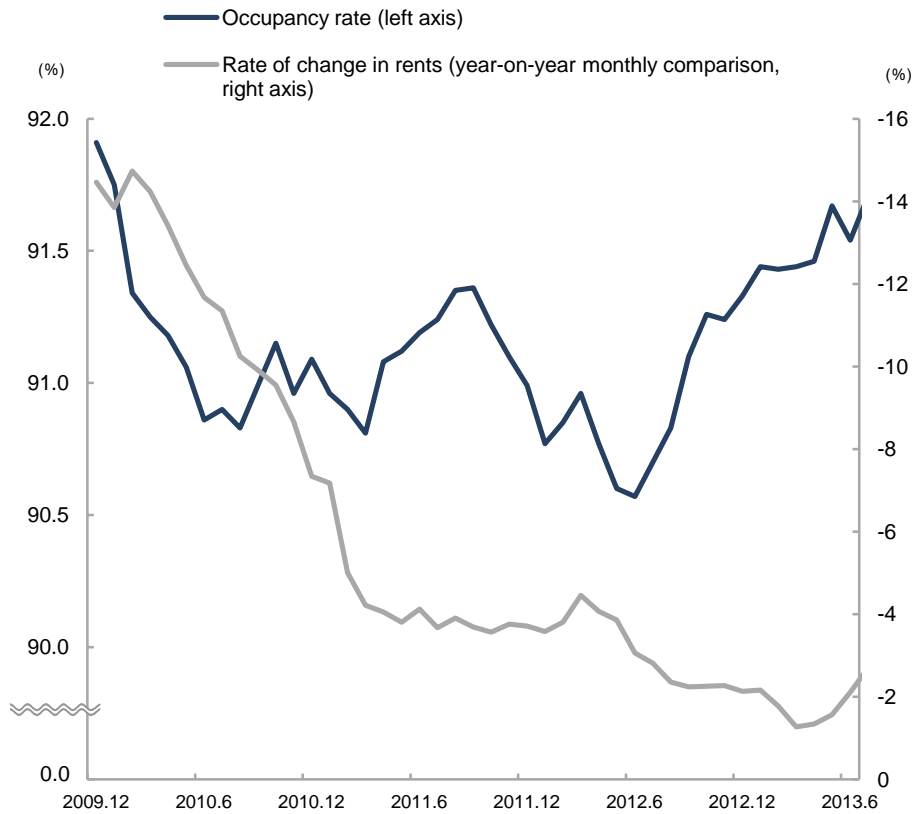


(Note) Prepared by Tokyo Realty Investment Management, Inc. based on the 2013 Survey on Large Office Buildings in 23 Wards of Tokyo publicized by Mori Trust Group

Average Contract Rent Anticipated to Hit Bottom in 2013

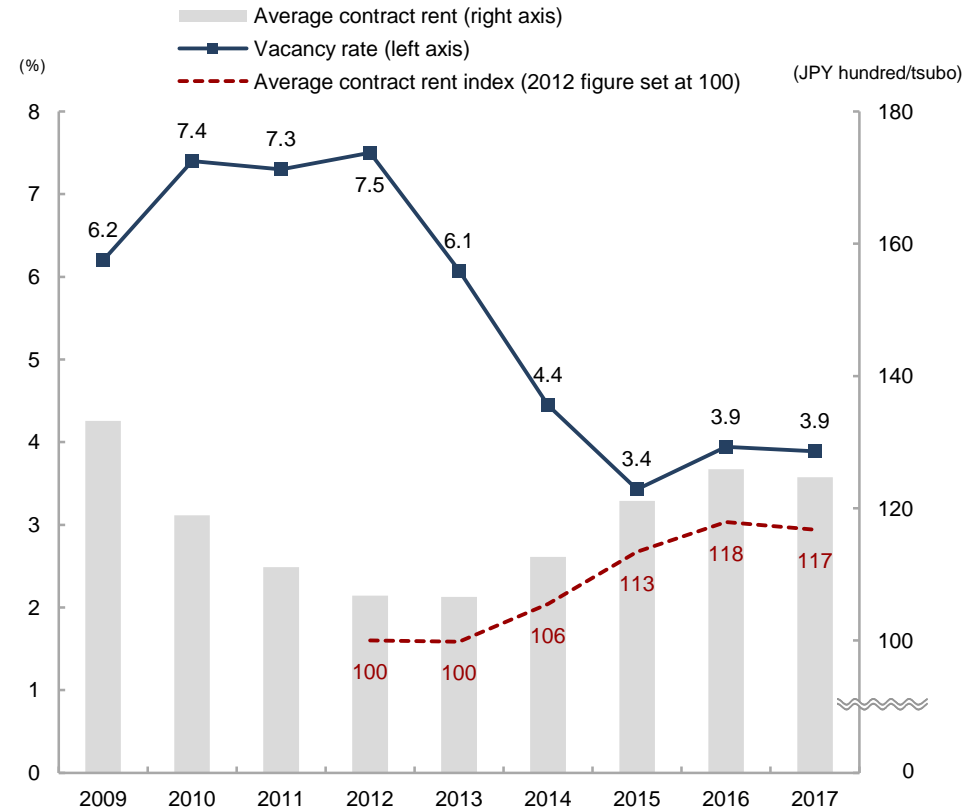
- n The occupancy rate in the Tokyo CBDs has been continuing to increase since 2012, while the rate of decrease in average advertised rent is on a decelerating trend (year-on-year monthly comparison)
- n The average contract rent in the 23 wards of Tokyo is anticipated to hit bottom in the middle through autumn of 2013, and is forecasted to take an upward turn in 2014
- n The vacancy rate will increase slightly in 2016 as a result of an increase in new supply, but the impact on the average contract rate is expected to be minimal

Changes in Occupancy Rate and Rate of Change in Rents in Tokyo CBDs



(Note) Prepared by Tokyo Realty Investment Management, Inc. based on the Office Report (Tokyo CBDs) publicized by Miki Shoji Co., Ltd.

Average Contract Rent and Vacancy Rate in 23 Wards of Tokyo



(Note) Prepared by Tokyo Realty Investment Management, Inc. based on the Real Estate Market Research Report (surveyed in Apr. 2013) by Sumitomo Mitsui Trust Research Institute Co., Ltd., using actual results by CBRE for the vacancy rates through 2012 and forecast by Sumitomo Mitsui Trust Research Institute based on economic forecasts for the vacancy rates and the average contract rents in 2013 and after.

Capture Good Opportunities to Acquire Blue-Chip Properties and Reinforce Leasing Activities with Focus on Rent Levels in an Effort to Shift to Growth Process

External Growth Strategy

- n In the transaction market, despite shortage of blue-chip properties in Tokyo still being felt, information on negotiated deals from sellers is also being obtained gradually
- n In bid deals, there is a growing number of cases in which prices are set in anticipation of future rise in rents in addition to decreased cap rates
- n Competitors are J-REITs in many cases but also include private placement REITs and foreign-capital funds

Make the best of the multiple sources in order to grasp good opportunities to acquire blue-chip properties that should lead to future growth of JPR

- n Make the best of multiple sources including the sponsors' pipelines, preferential negotiation rights and information on negotiated deals obtained thanks to JPR's sourcing abilities
- n Reinforce the multiple pipelines of the sponsors and discern properties about which information is obtained
- n Continuously work on vigorously selective investment, with the acquisition principle of not being exposed to excessive competition

Internal Growth Strategy

- n The supply-demand balance is becoming increasingly improved in the rental market for office properties in Tokyo
- n In addition to an increase in office demand including relocation for expansion, expansion of leased space within the same building and new establishment of office, there are some cases in which contract cancellations are postponed or called off
- n While a decrease in contract renewal with downward revision of rents or a reduction in rent-free periods are observed, the outcome of revenues is impacted by such factors as the down time associated with tenant replacement and rent adjustments

Reduce the down time for tenant replacement and rent-free periods, and start preparing for contract renewals with upward revision of rents as well as for increases in contract rents

- n Improve the occupancy rate on an actual rent basis by reducing the down time for tenant replacement and rent-free periods
- n Realize upside gains by further increasing the occupancy rate
- n Start preparations for further increasing contract rents and making contract renewals with upward revision of rents

Financial and IR Strategy

- n With monetary easing measures under way, borrowing interest rates are decreasing and maturities are getting longer
- n Steady inflow of capital into the investment corporation bond market tends to further compress the spreads
- n The equity market has remained in an adjustment phase, but new monies are flowing in from investors both in Japan and abroad

Reinforce the stable fund procurement framework of equity financing and debt financing, and implement the financial strategy that serves as the basis of the positive spiral of growth

- n Reinforce the fund procurement base through diversification of lenders by expanding transaction with those not engaged in JPR before
- n Further promote reduction of interest-bearing debt costs and a shift to long-term, fixed interest rate debts
- n Implement the IR strategy focused on existing investors and investors holding JPR units over a long term, and re-construct the internal and external framework that should allow dynamic and flexible offerings of investment units

Utilize the Multiple Sources Centering on Sponsor Support to Secure Acquisition of Blue-Chip Properties that Should Enhance Growth Potential

- n Given the market where shortage of blue-chip properties is being felt, accumulate steady achievements of acquisitions from the multiple sources including the sponsor support
- n As JPR acquired properties only through negotiated deals in the past 4 years, continuously work on vigorously selective investment, with the acquisition principle of securing yields without being exposed to excessive competition



Future Approach

[Targets]

- n Large office properties developed and owned by Tokyo Tatemono, the main sponsor
 - n Blue-chip office properties developed and owned by such sponsors as Taisei Corporation and Yasuda Real Estate
 - n Additional acquisitions of office properties in Tokyo and retail properties for which JPR has preferential negotiation rights
- *JPR owns preferential negotiation rights and other arrangements for most of the 19 office properties it owns in Tokyo either in the form of land with leasehold interest, co-ownership or compartmentalized ownership.
- n JPR does not intend to largely expand acquisitions of properties in other cities that are positioned as targets of vigorously selective investment.

[Acquisition method]

- n Utilize the multiple sources centering on sponsor support
- *Sponsor support achievements (ratio of acquisition prices)
 Properties acquired from the sponsors, etc.: 51.2%
 Properties acquired based on information obtained from the sponsors: 18.3%

[Capacity to acquire more properties]

- n Debts + cash and deposits = JPY 8 – 10 billion

[Acquisition principle]

- n Keep to appropriately set prices based on JPR's investment policies even after the implied cap rates decrease

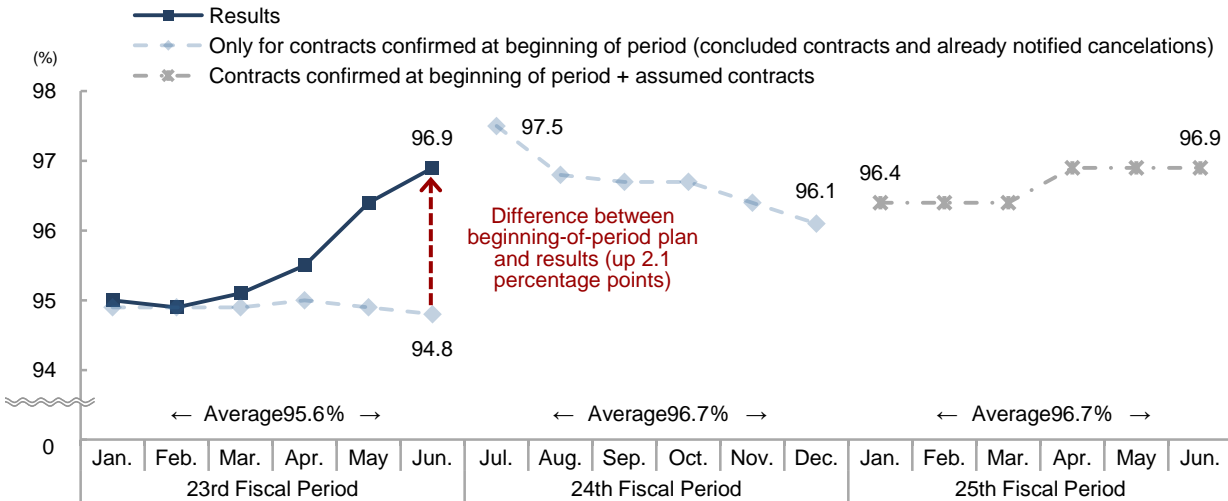
Area/Use	Office property in Central Tokyo	Office property in Central Tokyo	Office property in Other Cities	Office property in Greater Tokyo
Acquisition Method	Acquisition from external source	Sponsors' pipelines	Sponsors' pipelines	Acquisition from external source Use of preferential negotiation rights
Acquisition Price	3,400 million yen	36,000 million yen	10,996 million yen	[Omiya] 6,090 million yen [Shinyokohama] 570 million yen
NOI yield (before and after depreciation)	4.2% / 3.9%	3.6% / 3.6%	6.4% / 4.7%	[Omiya] 7.0% / 5.0% [Shinyokohama] 9.0% / 6.5%
Purpose of acquisition	Value-added investment targeting upside gains in future value	Acquisition of flagship property in prime location in central Tokyo	Vigorously selective investment in regional cities with growth potential to complement stability of revenues	Investment in high-yielding property through negotiated deal

(Note) The NOI yield has been calculated by dividing the annualized real NOI before and after deducting depreciation (exclusive of extraordinary factors) for the 23rd fiscal period by the acquisition price. For Omiya Prime East and Shinyokohama 2nd Center Building acquired in the 23rd fiscal period, the figure has been calculated by dividing the real NOI, which deducts the amount equivalent to the property and other taxes to be included in the acquisition price upon acquisition from the annualized value of the actual NOI, by the acquisition price. Each figure has been rounded to the first decimal place.

Realize Upside Gains by Further Increasing the Occupancy Rate

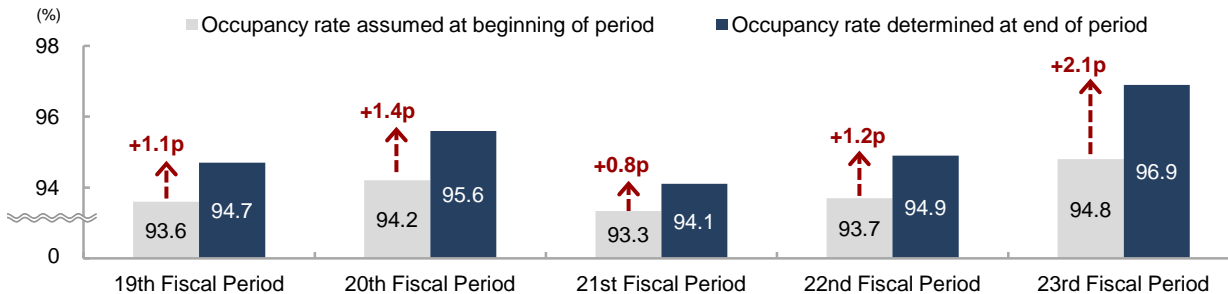
- n For the next fiscal period (24th period) and after, the portfolio occupancy rate is forecasted to stay flat period-on-period as there will be certain down time for properties with decreased occupancy rates
- n The occupancy rate for the 24th fiscal period represents an estimate based on confirmed contracts, and JPR will work to further increase revenues by adding new leases

Perspective of Occupancy Rates



(Note 1) The graph shows the ratio of total leased space to total leasable space at each point in time. Occupancy rate for the 24th fiscal period covers only the contract status confirmed as of the beginning of the period, including newly concluded contracts and already notified cancellations. Occupancy rate for the 25th fiscal period assumes some new contracts, etc. on top of the assumptions for the 24th fiscal period.
 (Note 2) The figures have been rounded to the first decimal place.

Changes in Difference between Occupancy Rates Assumed at Beginning of Period and Occupancy Rate Determined at End of Period



Forecast Occupancy Rate at Period End by Property (%)

Property name	End of 23rd Period	End of 24th Period	Change
[Properties with an increase]			
Minami Azabu Building	0.0	100.0	+100.0p
MS Shibaura Bldg.	93.2	100.0	+6.8p
Shinyokohama 2nd Center Bldg.	85.1	89.2	+4.1p
Yume-ooka Office Tower	91.3	93.2	+1.9p
JPR Harajuku Building	98.1	100.0	+1.9p
[Properties with a decrease]			
Tokyo Tatemono Kyobashi Building	100.0	24.5	-75.5p
JPR Crest Takebashi Bldg.	70.6	46.3	-24.3p
JPR Jingumae 432	100.0	86.6	-13.4p
JPR Hakata-chuo Bldg.	100.0	87.3	-12.7p
Tachikawa Business Center Bldg.	100.0	90.0	-10.0p
BYGS Shinjuku Bldg.	98.9	89.2	-9.7p
Kanematsu Bldg.	100.0	95.0	-5.0p

(Note) The table shows the ratio of total leased space to total leasable space for each property, rounded to the first decimal place.

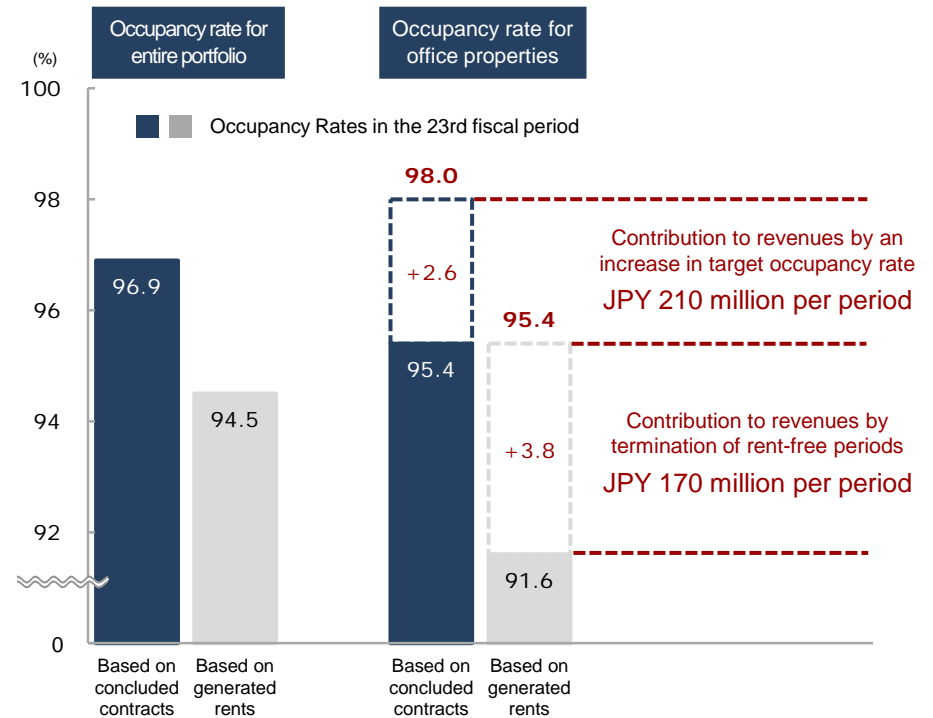
Reinforce Leasing Strategies Focused on Rent Levels

- n As there are cases in which contacts with new tenants were concluded at higher rents without any down time after the former tenants moved out, accurately investigate the rent policies per property in detail and work on leasing with targets placed on the higher zones of the market rents, starting with properties having high competitive advantages
- n With rooms still existing for the occupancy rate of office properties to increase, endeavor to bolster and increase earnings by improving the occupancy rates based on concluded contracts and based on generated rents

Properties Subject to Reinforced Leasing Activities

Property name	Outlook and Leasing Policies
Tokyo Tatemono Kyobashi Building	As the property is situated in good location adjacent to Ginza, and can expect demand from tenants that serve visiting guests, work on leasing that pursue the upper zones in the rent levels . Value enhancement work is under way, including a shift to multi-tenant spaces, at the occasion of tenant move-outs (scheduled for completion at the end of August 2013)
Shinjuku Center Building	The occupancy rate temporarily decreased to the 96% level due to reduced spaces by existing tenants after increasing to the 96% level during the 23rd fiscal period. As renovation work turned effective to result in higher recognition by the market and strong inquiries from tenants starting to appear, promote leasing by placing focus on appropriate responses to the needs.
BYGS Shinjuku Bldg.	Demand for relocation to the property has been growing since last year and, in the 23rd fiscal period, contracts were concluded with higher rents without any down time after move-outs of the previous tenants . As the large spaces can be secured on the vacated floors in succession, work on leasing with a focus on rent levels .
JPR Jingumae 432	The occupancy rate was successfully maintained through reinforced leasing strategy demonstrating the location advantage of the property. Though the occupancy rate temporarily dropped to the middle of the 70% level, it is currently anticipated to recover to slightly less than 90% on an actual occupancy basis and 100% on an application basis.

Upside Potential through Increase Occupancy Rate of Office Properties (Room for Increase from Occupancy Rate at end of 23rd Fiscal Period)



(Note 1) The occupancy rate "based on concluded contracts" represents the ratio of total leased space based on lease contracts to total leasable space. The occupancy rate "based on generated rents" represents the ratio of total leased space that generates rents and other revenues and excludes rent-free periods and other arrangements to total leasable space.

(Note 2) The amount of contribution to revenues by termination of rent-free periods represents the assumed value of contribution throughout the period made by rents and other income when the occupancy rate based on generated rents stands at the same level with the occupancy rate based on concluded contracts (with all rent-free periods terminated), using the occupancy rate at the end of the 23rd fiscal period as the standard. The contribution to revenues by an increase in target occupancy rate represents the assumed value of contribution throughout the period made by rents and other revenues when the occupancy rate based on concluded contracts increases to match the target occupancy rate, using the occupancy rate at the end of the 23rd fiscal period as the standard.

In the 24th Fiscal Period, Work to Acquire New Property and Increase Occupancy Rate Based on Generated Rents to Achieve DPU of JPY6,000 Level as Target

(JPY mn)

	23rd Period (Results)		24th Period (Forecasts)		Change	
	(Jan. 1, 2013 - Jun. 30, 2013)		(Jul. 1, 2013 - Dec. 31, 2013)			
	Amount	%	Amount	%	Amount	%
Rental revenue	12,509	94.2%	12,642	93.9%	132	1.1%
Other rental revenue	768	5.8%	827	6.1%	59	7.7%
Rent revenue - real estate (1)	13,278	100.0%	13,470	100.0%	191	1.4%
Operating revenue	13,278	100.0%	13,470	100.0%	191	1.4%
Property and other taxes	1,884	14.2%	1,885	14.0%	0	0.0%
Other expenses related to rent business	2,440	18.4%	2,756	20.5%	316	13.0%
Outsourcing expenses	505	3.8%	519	3.9%	14	2.9%
Utilities expenses	768	5.8%	906	6.7%	138	18.0%
Casualty insurance	26	0.2%	27	0.2%	1	3.9%
Repairs and maintenance	244	1.8%	350	2.6%	106	43.5%
Property management fees	213	1.6%	221	1.6%	7	3.6%
Management association accounts	563	4.2%	556	4.1%	-6	-1.2%
Others	119	0.9%	174	1.3%	55	46.4%
Depreciation	1,883	14.2%	1,872	13.9%	-10	-0.6%
Expenses related to rent business (2)	6,208	46.8%	6,514	48.4%	305	4.9%
Asset management fees	468	3.5%	465	3.5%	-3	-0.8%
Adm. Service / custody fees	78	0.6%	80	0.6%	1	1.7%
Directors' compensation	6	0.0%	6	0.0%	-	-
Trust fees	36	0.3%	35	0.3%	-1	-4.7%
Other operating expenses	94	0.7%	103	0.8%	9	10.1%
Operating expenses	6,893	51.9%	7,205	53.5%	311	4.5%
Operating income	6,385	48.1%	6,264	46.5%	-120	-1.9%
Profits ((1) - (2))	7,070	53.2%	6,955	51.6%	-114	-1.6%
Net operating income (NOI)	8,953	67.4%	8,828	65.5%	-125	-1.4%
Non-operating income	60	0.5%	11	0.1%	-48	-81.1%
Interest expenses (incl. investment corporation bonds)	1,304	9.8%	1,329	9.9%	24	1.9%
Borrowing expenses	138	1.0%	131	1.0%	-6	-5.0%
Amortization of investment corporation bond issuance costs	23	0.2%	27	0.2%	4	18.8%
Investment unit issuance costs	-	-	-	-	-	-
Other non-operating expenses	3	0.0%	1	0.0%	-1	-50.8%
Non-operating expenses	1,469	11.1%	1,490	11.1%	20	1.4%
Ordinary income	4,975	37.5%	4,786	35.5%	-189	-3.8%
Income before income taxes	4,975	37.5%	4,786	35.5%	-189	-3.8%
Net income	4,974	37.5%	4,785	35.5%	-189	-3.8%
Unappropriated retained earnings	4,998	37.6%	4,809	35.7%	-189	-3.8%
Distributions per units	6,031yen		5,800yen		-231yen	
Total number of units outstanding at end of period	825,000units		825,000units		- units	

Rent revenue

· Properties owned at end of 22nd period:	- 6mn yen
Increase by new move-ins:	+ 438mn yen
Decrease by cancellation:	- 435mn yen
Increase/decrease by contact revision:	- 43mn yen
Other increase/decrease:	+ 33mn yen
· Properties acquired 23rd period:	+ 138mn yen

Other rental revenues

· Properties owned at end of 22nd period:	+ 49mn yen
Incidental income:	+ 104mn yen
· Properties acquired 23rd period:	+ 9mn yen

Expenses related to rent business

· Properties owned at end of 22nd period:	+ 284mn yen
Utilities expenses:	+ 126mn yen
Repairs and maintenance:	+ 110mn yen
Brokerage fee:	+ 19mn yen
Advertisement expenses:	+ 21mn yen
· Properties acquired 23rd period:	+ 21mn yen

Other operating expenses

· Settlement of management association accounts:	- 39mn yen
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Interest expenses

· Interest expenses for loans:	- 3mn yen
· Interest expenses for investment corporation bonds:	+ 27mn yen

Assumptions for the 24th Fiscal Period Forecast

- n Assets owned: Total of 60 properties (owned as of the end of the 23rd fiscal period)
- n Average Monthly Occupancy during Period: 96.7% (based on confirmed contract status only, reflecting newly concluded contracts and already notified cancellations, etc.)
- n Total units outstanding: 825,000 units
- n Ratio of interest-bearing debts (on a unitholders' capital basis): 49.3% (at end of 24th fiscal period)

The forecasts for the 24th fiscal period were calculated based on the left "Assumptions for the 24th 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.

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

In the 25th Fiscal Period, Aim to Reinforce the Foundation for Growth by Increasing Top Lines Including Rents and Other Revenues

(JPY mn)

	24th Period (Forecasts) (Jul. 1, 2013 - Dec. 31, 2013)		25th Period (Reference) (Jan. 1, 2014 - Jun. 30, 2014)		Change	
	Amount	%	Amount	%	Amount	%
Rental revenue	12,642	93.9%	12,601	94.5%	-40	-0.3%
Other rental revenue	827	6.1%	730	5.5%	-97	-11.8%
Rent revenue - real estate (1)	13,470	100.0%	13,331	100.0%	-138	-1.0%
Property and other taxes	1,885	14.0%	1,979	14.8%	94	5.0%
Other expenses related to rent business	2,756	20.5%	2,615	19.6%	-140	-5.1%
Outsourcing expenses	519	3.9%	514	3.9%	-4	-0.9%
Utilities expenses	906	6.7%	803	6.0%	-102	-11.3%
Casualty insurance	27	0.2%	27	0.2%	0	-1.3%
Repairs and maintenance	350	2.6%	356	2.7%	6	1.8%
Property management fees	221	1.6%	218	1.6%	-2	-1.1%
Management association accounts	556	4.1%	557	4.2%	1	0.2%
Others	174	1.3%	136	1.0%	-38	-21.8%
Depreciation	1,872	13.9%	1,834	13.8%	-38	-2.0%
Expenses related to rent business (2)	6,514	48.4%	6,429	48.2%	-84	-1.3%
Profits ((1) - (2))	6,955	51.6%	6,902	51.8%	-53	-0.8%
Net operating income (NOI)	8,828	65.5%	8,736	65.5%	-92	-1.0%
Capital expenditure	1,140	8.5%	1,124	8.4%	-15	-1.4%
Net cash flow (NCF)	7,688	57.1%	7,611	57.1%	-76	-1.0%

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

Rent revenue	
Increase by new move-ins:	+ 178mn yen
Increase by new move-outs:	- 222mn yen
Decrease by cancellation:	- 9mn yen
Other rental revenues	
Incidental income:	- 94mn yen
Cancellation penalty, etc.:	- 9mn yen
Expenses related to rent business	
Property and other taxes:	+ 88mn yen
(Otemachi 1-6 Plan (tentative name) (Land with Leasehold Interest):	+ 65mn yen)

Assumptions for the 25th Fiscal Period Forecast

- Assets owned: Total of 60 properties (owned as of the end of the 23rd fiscal period)
- Average Monthly Occupancy during Period: 96.7% (Assumes some new contracts, etc. in addition to the assumptions for the 24th fiscal period)

The forecasts of rent revenue – real estate and expenses related to the rent business for the 25th fiscal period were calculated based on the left “Assumptions for the 25th 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.



Japan Prime Realty Investment Corporation

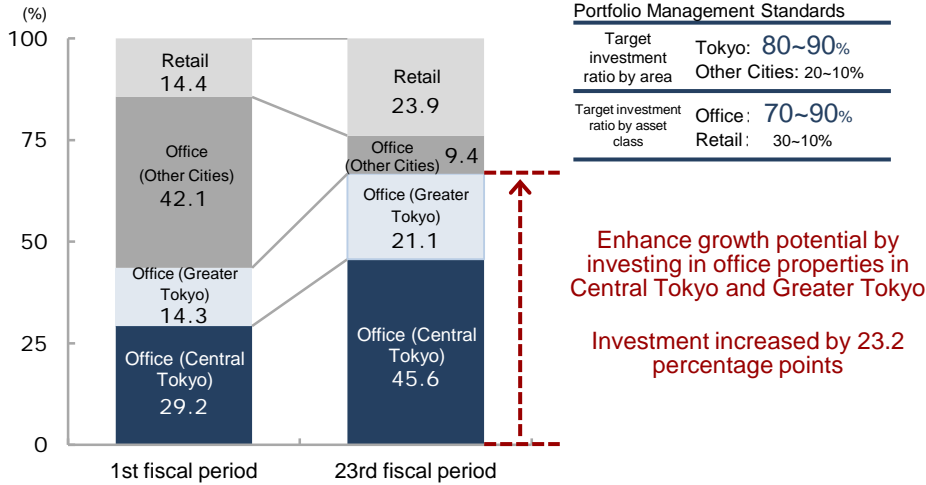
Appendix

Initiatives on Growth Strategies of JPR

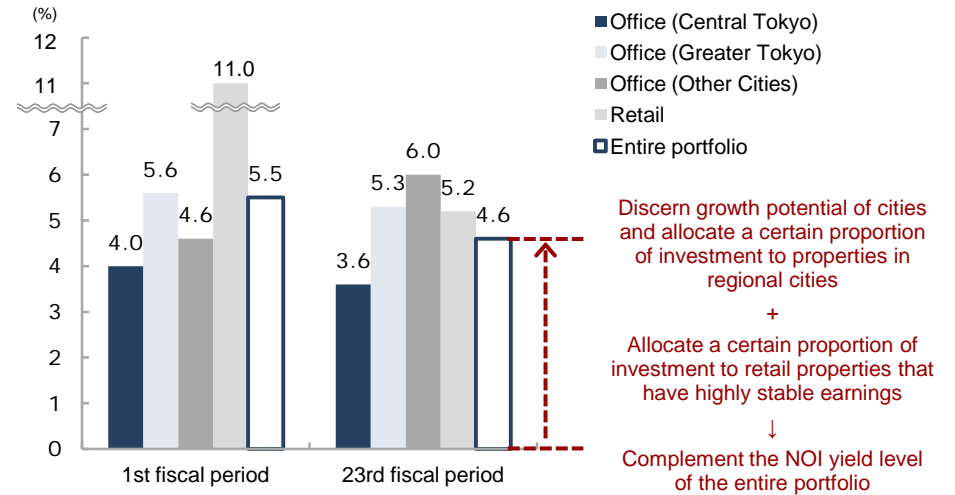
<p>1. Diversified Portfolio Featuring Both Growth Potential and Stability</p>	<ul style="list-style-type: none"> n A large-scale REIT with a portfolio of office and retail properties totaling JPY 398.6 billion (based on acquisition price) n Enhances growth potential through focused investment in office properties in Tokyo, and complements the stability of earnings of the portfolio by allocating a certain proportion of investment to retail properties and office properties in region cities n Mitigates the impact of market fluctuations by investing in a wide range of properties by size, from very large ones with total floor space of at least 30,000m² to blue-chip assets with total floor space of around 3,000m²
<p>2. Steady Progress in External Growth</p>	<ul style="list-style-type: none"> n Has acquired properties in each fiscal period since listing, except for the period ended June 2011 (when the Great East Japan Earthquake occurred) n Has a track record of focused investment in office properties in Tokyo totaling JPY 124.3 billion since the fiscal period ended June 2009 n Implements investment strategy that utilizes multiple sources, including sponsor support, preferential negotiation rights for co-owned properties and other assets, and information based on the sourcing capability of the Asset Manager
<p>3. Sponsor Support</p>	<ul style="list-style-type: none"> n Has a track record of acquiring properties from five sponsor companies centering on Tokyo Tatemono n Has acquired flagship properties of sponsors, such as Otemachi 1-6 Plan (tentative name) (Land with Leasehold Interest) n Receives total support for real estate management in general, including tenant leasing, property management and fund procurement
<p>4. Professionally-Implemented Internal Growth Strategy</p>	<ul style="list-style-type: none"> n Formed a leasing enhancement team and a group specially engaged in construction management at the Asset Manager to reinforce the management system that allows precise responses to tenant needs n Implements initiatives to perpetually enhance the asset values through the JPR Brand Strategy and proactive responses to environmental considerations
<p>5. Conservative Financial Strategy</p>	<ul style="list-style-type: none"> n Conducts asset management in a conservative manner financially with LTV kept at a target level of up to 50% (based on unitholders' capital) as a general rule n Established a stable bank formation, conducting business transactions with 27 financial institutions n Has an abundant record of issuing investment corporation bonds
<p>6. Stringent Governance System</p>	<ul style="list-style-type: none"> n No director of the Asset Manager concurrently serves as JPR officers so as to secure the independence of JPR n The Compliance Committee, which screens and verifies property acquisitions from the sponsors, employs unanimous vote for approvals in principle
<p>7. Initiatives on Investor Relations (IR)</p>	<ul style="list-style-type: none"> n Works to conduct global offering in an aim to provide investors in and outside Japan with fair opportunities to participate in primary markets n Promotes IR strategies focused on existing investors and investors holding JPR units over a long term

Establishment of Portfolio that Enhances Growth Potential and Stability

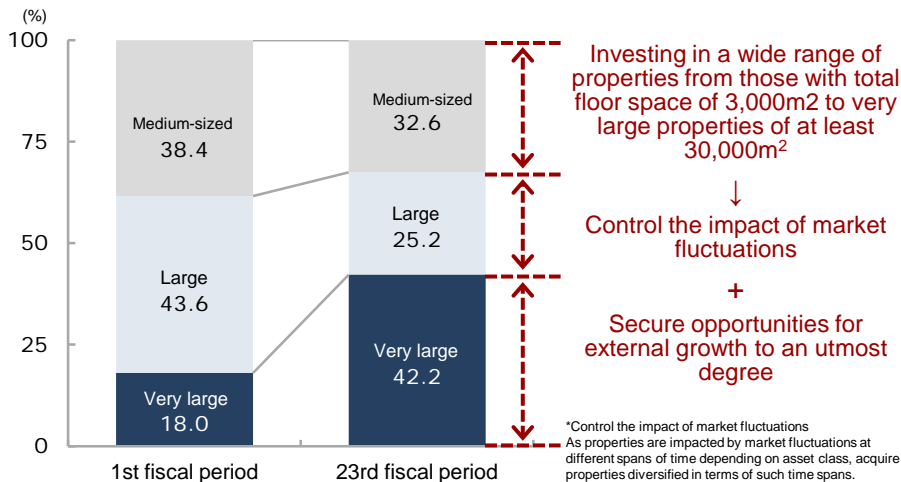
Investment ratio by Area and Asset Class



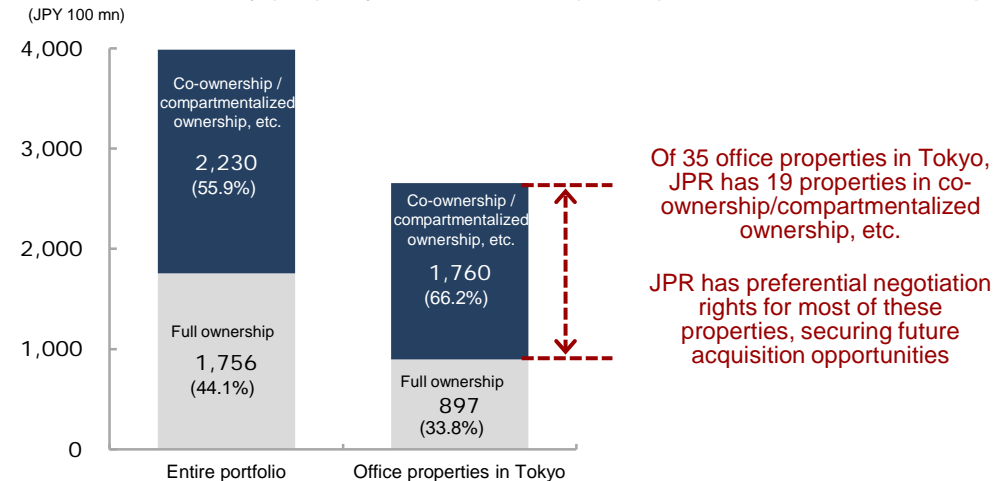
NOI yield by area and asset class



Investment ratio by size



Investment ratio by property in co-ownership/compartmentalized ownership



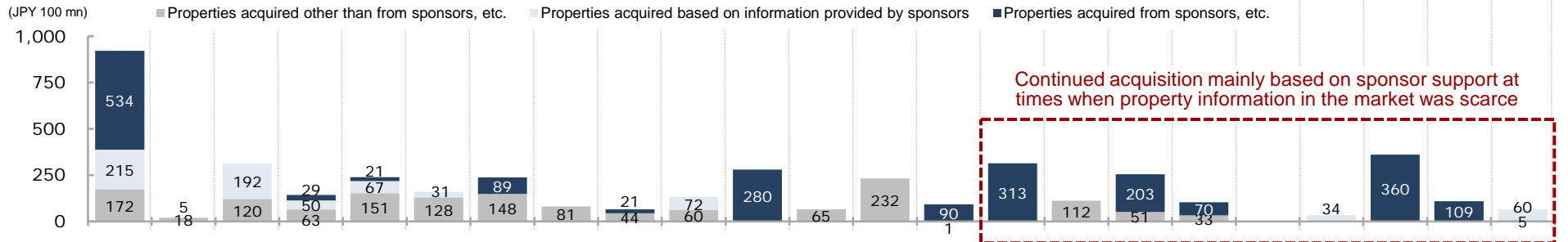
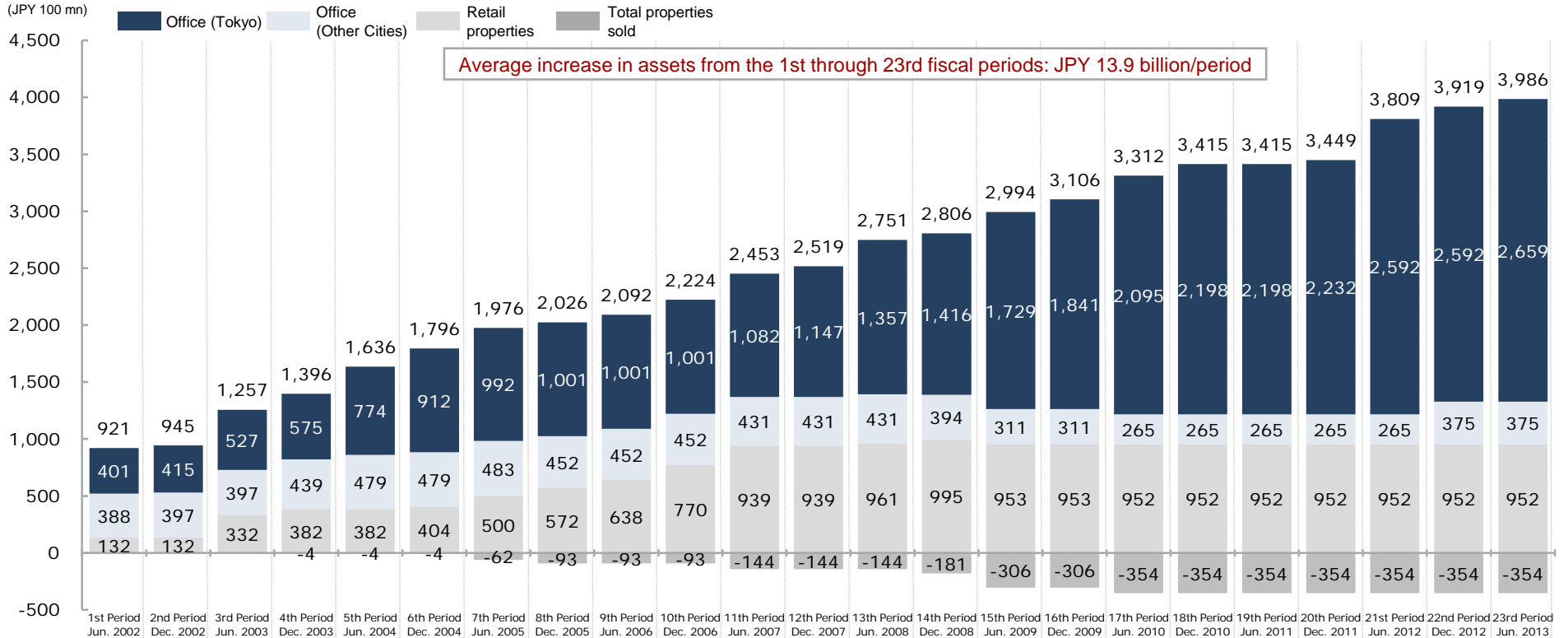
(Note 1) Investment ratio refers to the ratio of the total acquisition price of properties in respective categories to the total acquisition prices of the entire portfolio, and are rounded to the first decimal place.

NOI yield is rounded to the first decimal place. Amount is rounded down to the nearest specified unit.

(Note 2) Investment ratio by size: Very large: with total floor space of at least 30,000m², Large: with total floor space of 10,000m² or more and less than 30,000m², Medium-sized: with total floor space of 3,000m² or more and less than 10,000m²

Constant External Growth Since Listing

History of Growth of Portfolio Size

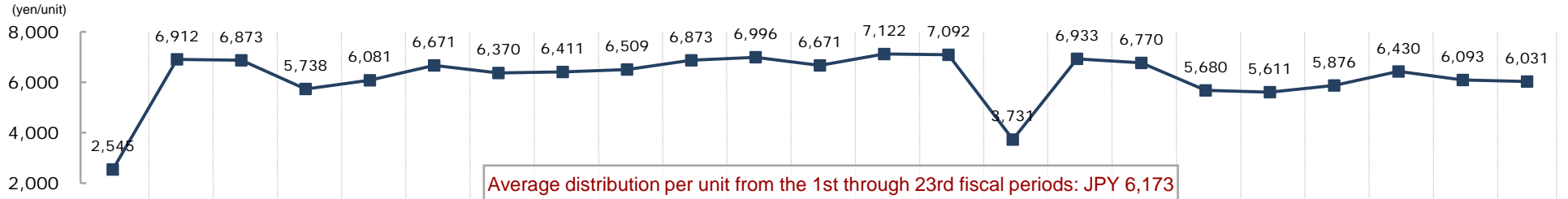


(Note 1) Portfolio size represents the sum total amount of acquisition price of the properties included in the JPR portfolio as of respective dates, rounded down to the nearest hundred million yen. Furthermore, the acquisition price is the deal price (rounded down to the nearest hundred million yen) described in the transaction contracts with the sellers for respective properties, and does not include expenses related to acquisitions and consumption taxes.

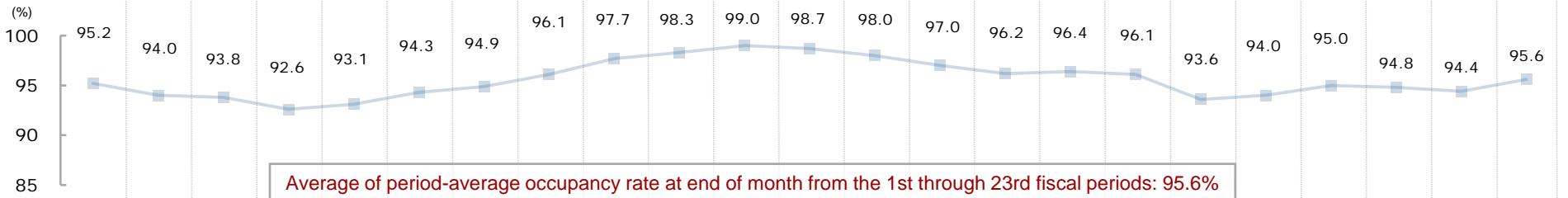
(Note 2) The accumulated amount of total properties sold represents the accumulated amount of acquisition prices at which JPR had acquired the respective properties that were sold by the respective dates.

Track Records Demonstrating Stability

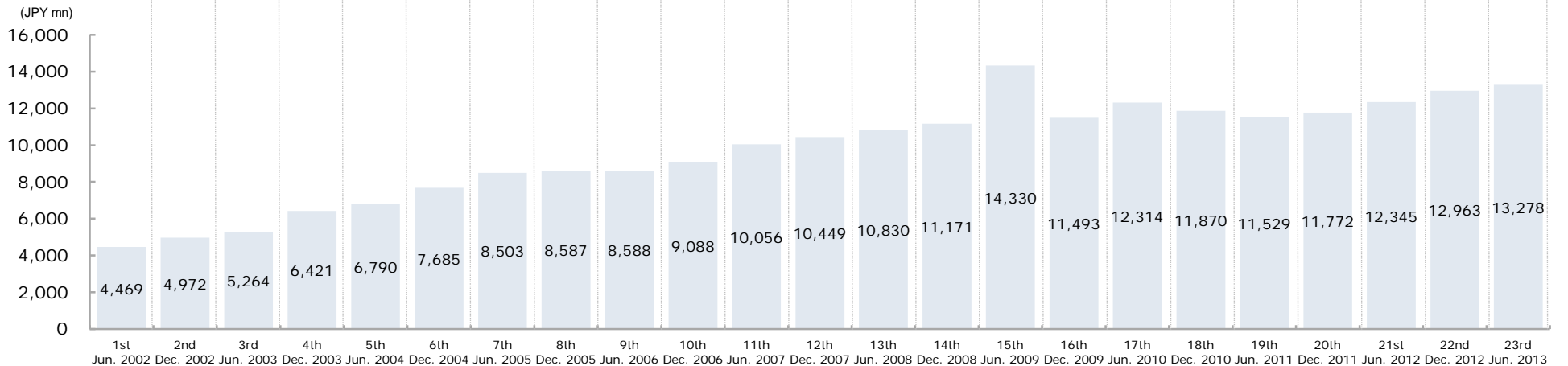
Changes in Distribution per Unit



Changes in Period-Average Occupancy Rate at End of Month



Changes in Operating Revenue



(Note) Period-average occupancy rate at end of month has been rounded to the first decimal place. Operating revenue has been rounded down to the nearest million yen.

Sponsor Support



Entrust the asset management



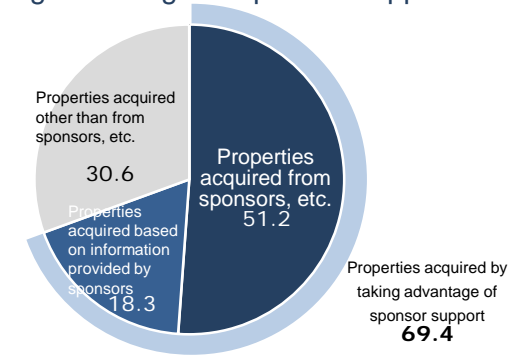
- n Support on human resources through dispatching personnel to TRIM and other measures
- n Provision of know-how on real estate management in general, including tenant leasing and technical support
- n Supply of properties and provision of information on property acquisitions
- n Fund procurement support including funding through debt finance



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

















Ratio of Properties Acquired by Taking Advantage of Sponsor Support

At JPR, the ratio of properties acquired from its sponsors, etc. and those acquired based on the information obtained from the sponsors stands at 69.4% (on an acquisition price basis) of the entire portfolio.



(Note) Sponsors, etc. represent the five sponsor companies of JPR, their affiliate companies and special purpose companies (SPCs) in which the sponsors have made equity investment.

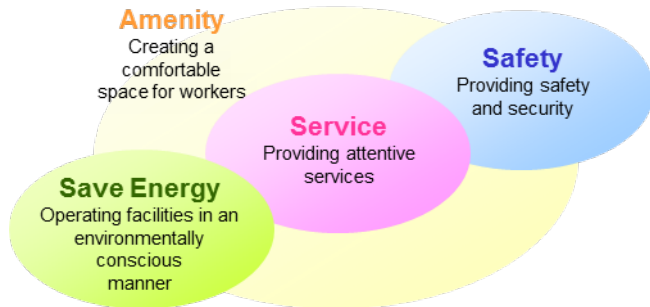
Major Properties Acquired from Respective Sponsors, Etc.

	Tokyo Tatemono Co., Ltd.		Otemachi 1-6 Plan (land with land leasehold)		Olinas Tower		Kawasaki Dice Bldg.
	Taisei Corporation		Rise Arena Bldg.		Yurakucho Ekimae Bldg. (Yurakucho Itocia)		Shinjuku Sanhome East Bldg.
	Meiji Yasuda Life Insurance Company		JPR Ningyocho Bldg.		JPR Hakata Bldg.		Tanashi Asta
	Sompo Japan Insurance Inc.		Sompo Japan Sendai Bldg.		Yasuda Real Estate		JPR Crest Takebashi Bldg.

JPR Brand Strategy that Aims to Enhance Asset Values

JPR Brand Strategy

The “JPR Brand Strategy” is positioned as one of our internal strategies for improving tenant satisfaction, and increasing the earnings ratios and asset values of our properties. This brand strategy is based on the brand concept of “A/3S,” which offers the ultimate in “**Amenity**” and optimal space by focusing on “**Service**,” “**Safety**” and “**Save Energy (environment)**.” Our office building brand strategy is built around the active promotion of these objectives.



For the tenant services implemented in accordance with the JPR Brand Strategy Management Standard Manual, confirmation is made each year as to how far the services are conducted, management issues for respective properties are identified, and their countermeasures are discussed.

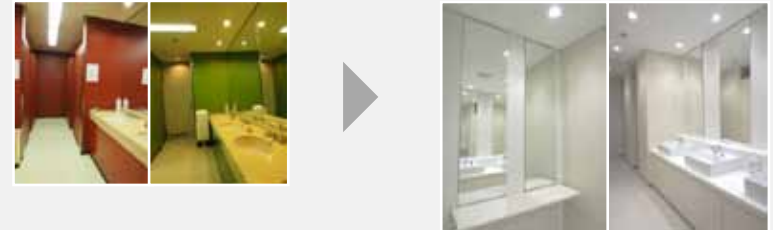


Major measures implemented

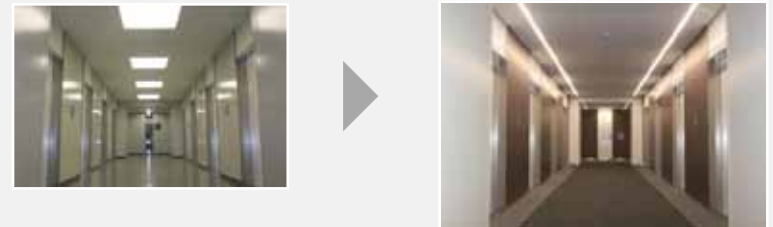
- Granting of the JPR Best Performance Award
- Issue of JPR Brand Newsletter
- Month focused on “checks by cleaning crew”
- Delivery of survey questionnaires on tenant satisfaction
- Artistic performances at entrances (spring and summer)

Example of renewal work

Renovation of restrooms at MS Shibaura Bldg.



Renovation of elevator hall at Shinjuku Center Bldg.



Artistic performances at entrances (spring)

JPR Harajuku Bldg.



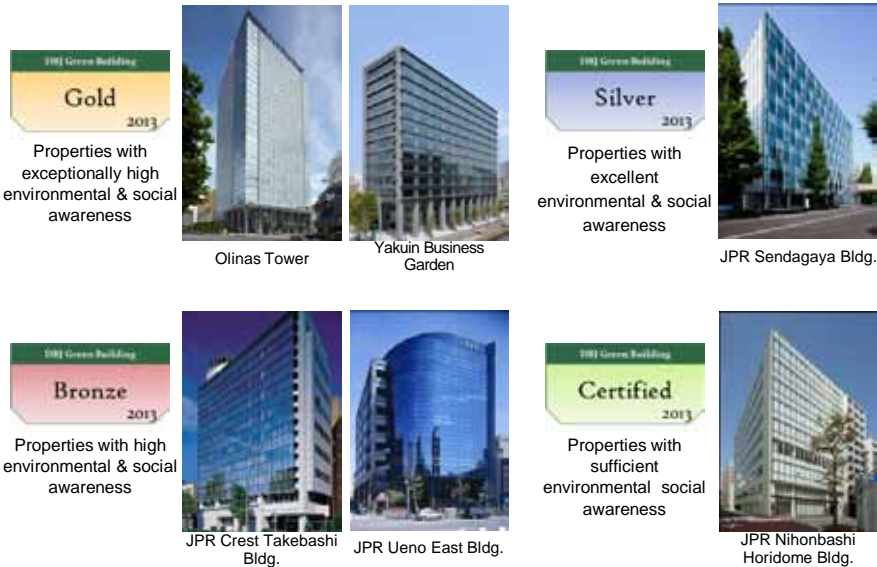
Tokyo Tatemono Kyobashi Bldg.



Proactive Initiatives on Environmental Friendliness

Acquisition of DBJ Green Building Certification

- n JPR has obtained the DBJ Green Building Certification, a system by Development Bank of Japan Inc. (DBJ) to certify real estate properties evincing high environmental and social awareness, for multiple properties it owns.
- n JPR acquired Gold certification, the first achievement among J-REITs, for Olinas Tower in 2011, and acquired additional certifications for four properties in 2012 and after. Two of them had the assessment levels upgraded from “Certified” to “Bronze” in 2013 in recognition for continuous initiatives at the properties.



DBJ Green Building Certification

This is a certification system designed to select superior real estate that meets the demand of the times, by scoring the properties using the scoring model developed originally by DBJ. Evaluation is made on the three categories of Ecology (environment), Amenity (comfort) & Risk Management (crime prevention/disaster prevention) and Community (local community/landscape) & Partnership (coordination with stakeholders). Five levels of certification, namely Platinum, Gold, Silver, Bronze and Certified, are awarded depending on the evaluation.

Continuous Participation in GRESB Survey

- n In 2011, JPR started to participate in the GRESB Survey, which evaluates and analyzes environmental considerations and sustainability, and has obtained a certain appreciation for its approach to environment-friendly initiatives.
- n JPR’s endeavors have been recognized as a result of having worked to reduce energy consumption, etc. by establishing a consistent system among all business partners involved in building operations, from the Asset Manager to property managers and building maintenance companies, under a clear environmental policy as well as asking for cooperation with tenants.



Members

Investors and Managers



GRESB Survey

GRESB, which stands for Global Real Estate Sustainability Benchmark, is a benchmark system for analyzing and evaluating sustainability in terms of environmental friendliness and social nature. It is based on surveys conducted by a private sector group established primarily by major pension funds in Europe.

Governance System Established with Focus on Independence

n Securing independence of JPR's Executive Officer

- Not only the supervising officers but also the executive officer of JPR (investment corporation) is **banned from concurrently serving as directors of the Asset Manager**. Human resources with high expertise, such as attorneys and accountants, have been appointed as the officers so that the independence of JPR is firmly secured.

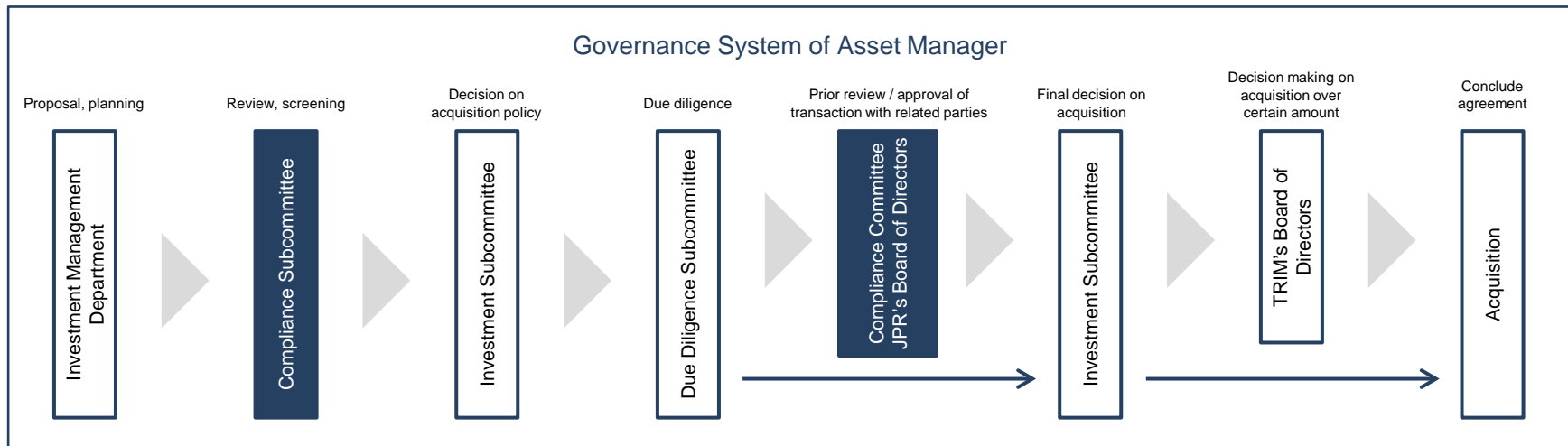
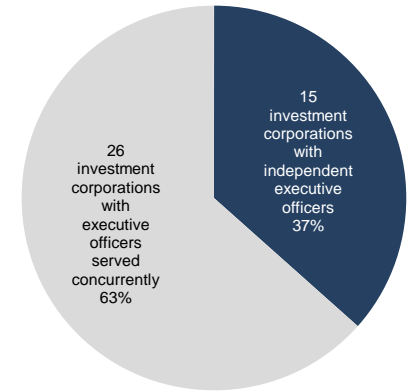
n Independence of Asset Manager from Sponsors

- The sponsors comprise five companies, with the shareholder composition of the largest equity holder (Tokyo Tatemono) standing at 40%. As such, **the structure allows mutual checks among the sponsors**.
- TRIM President and CEO has assumed office after having **his employment transferred to TRIM, instead of being seconded from the sponsor company he belonged to**.
- The position of **Compliance Office general manager** in charge of internal control is assumed by a **career employee**.
- With a high proportion of career employees, the personnel structure of TRIM also serves to help secure independence as an asset manager.

n Decision Making Based on Stringent Processes

- Property acquisitions from the sponsors are screened and verified by the Compliance Committee, in which an outside attorney participates as a special member. **The Committee employs unanimous vote, not majority vote, for approvals in principle**.

Concurrent Services as Directors of Asset Managers and Executive Officers of Investment Corporations among J-REITs



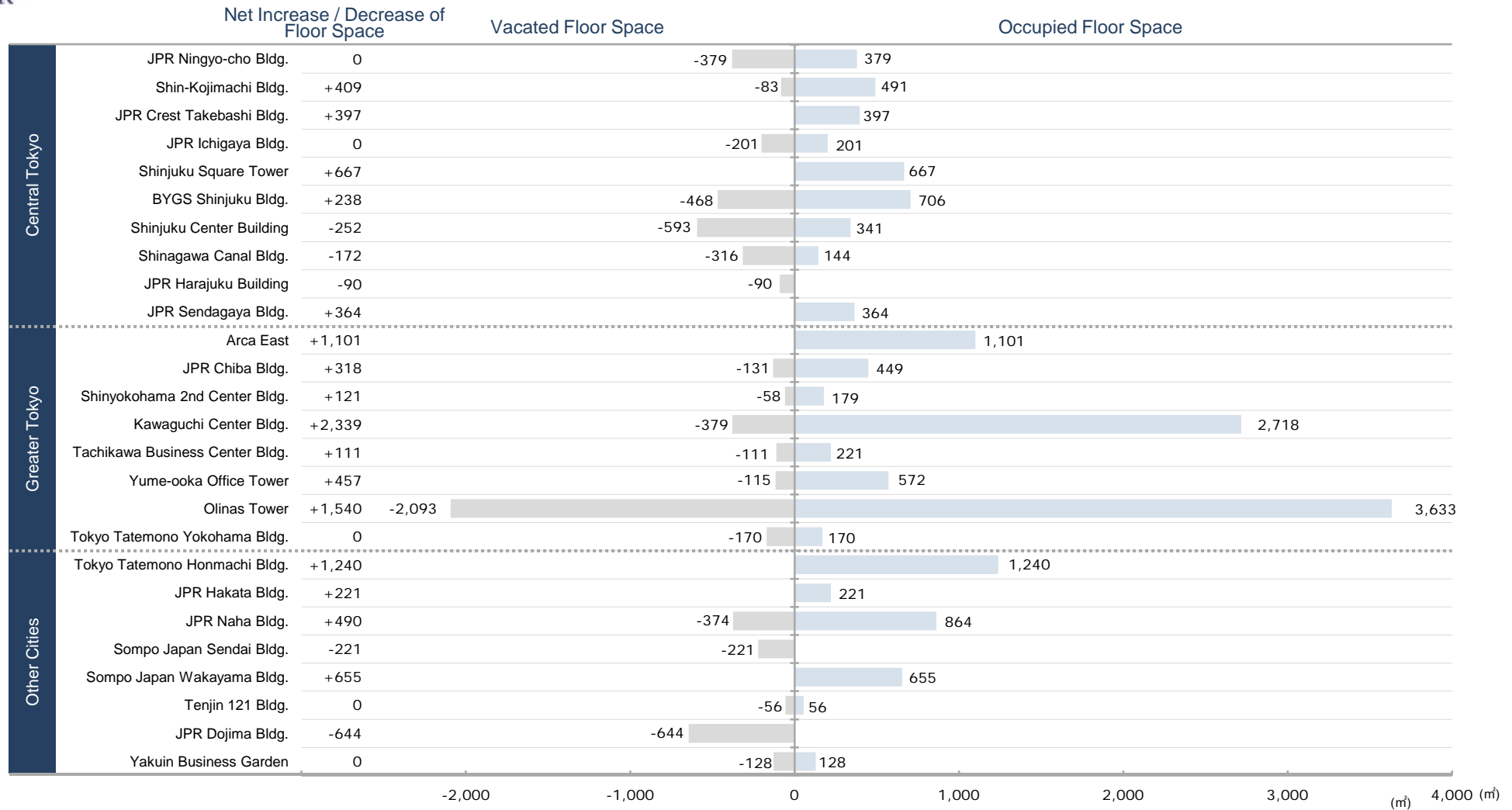


Fund Summary

	22nd Period Dec. 2012	23rd Period Jun. 2013
1 Operating revenue	12,963 mn yen	13,278 mn yen
2 Rent revenue – real estate	12,963 mn yen	13,278 mn yen
3 Expenses related to rent business	5,519 mn yen	6,208 mn yen
4 Profits	7,443 mn yen	7,070 mn yen
5 Depreciation	1,831 mn yen	1,883 mn yen
6 Net income	5,025 mn yen	4,974 mn yen
7 Total assets	401,984 mn yen	409,715 mn yen
8 Short-term loans payable	- mn yen	- mn yen
9 Long-term loans payable	131,057 mn yen	130,658 mn yen
10 Investment corporation bonds	49,500 mn yen	56,500 mn yen
11 Capital expenditure	679 mn yen	594 mn yen
12 Net assets	197,168 mn yen	197,116 mn yen
13 Unitholders' capital	192,044 mn yen	192,044 mn yen
14 NOI	9,275 mn yen	8,953 mn yen
15 NOI yield (based on acquisition price)	4.7%	4.6%
16 NOI yield (based on book value)	4.8%	4.7%
17 NOI yield (based on appraisal value)	5.2%	4.9%
18 Implied cap rate	4.5%	4.2%
19 FFO (annualized)	13,602 mn yen	13,830 mn yen
20 AFFO	6,177 mn yen	6,263 mn yen
21 EBITDA	8,596 mn yen	8,953 mn yen
22 DSCR	6.0 times	6.3 times
23 LTV (end of period, based on total assets)	44.9%	45.7%
24 LTV (end of period, based on gains or losses from valuation)	47.5%	48.1%
25 LTV (end of period, based on unitholders' capital)	48.5%	49.4%
26 Ratio of long-term interest-bearing debts	83.0%	81.0%
27 Average interest rate of long-term interest-bearing debts	1.47%	1.30%
28 Average maturity of long-term interest-bearing debts	3.89 years	4.00 years

	22nd Period Dec. 2012	23rd Period Jun. 2013
29 Number of units outstanding	825,000 units	825,000 units
30 Total cash distributions	5,026 mn yen	4,975 mn yen
31 Distribution per unit (fiscal period)	6,093 yen	6,031 yen
32 Distribution per unit (annualized)	12,086 yen	12,161 yen
33 Net assets per unit	238,992 yen	238,929 yen
34 FFO per unit (annualized)	16,487 yen	16,764 yen
35 AFFO payout ratio	81.4%	79.4%
36 Investment unit price (immediately before the ex-rights date)	256,300 yen	281,100 yen
37 PER	21.21 times	23.12 times
38 FFO multiple	15.54 times	16.77 times
39 PBR	1.07 times	1.18 times
40 Distribution yield (%)	4.7%	4.3%
41 NAV	175,465 mn yen	176,243 mn yen
42 NAV per unit	212,685 yen	213,628 yen
43 NAV multiple	1.2 times	1.3 times
44 Appraisal value	358,816 mn yen	365,214 mn yen
45 Book value	380,518 mn yen	386,086 mn yen
46 Unrealized gains or losses	-21,702 mn yen	-20,872 mn yen
47 PML value	3.4%	3.4%
48 Acquisition price	391,980 mn yen	398,640 mn yen
Next fiscal period (forecast)		
49 Operating revenue	13,017 mn yen	13,470 mn yen
50 Net income	4,785 mn yen	4,785 mn yen
51 Distribution per unit	5,800 yen	5,800 yen
52 Distribution per unit (annualized)	11,696 yen	11,505 yen

Contracting Status of Tenants by Property (23rd Fiscal Period)



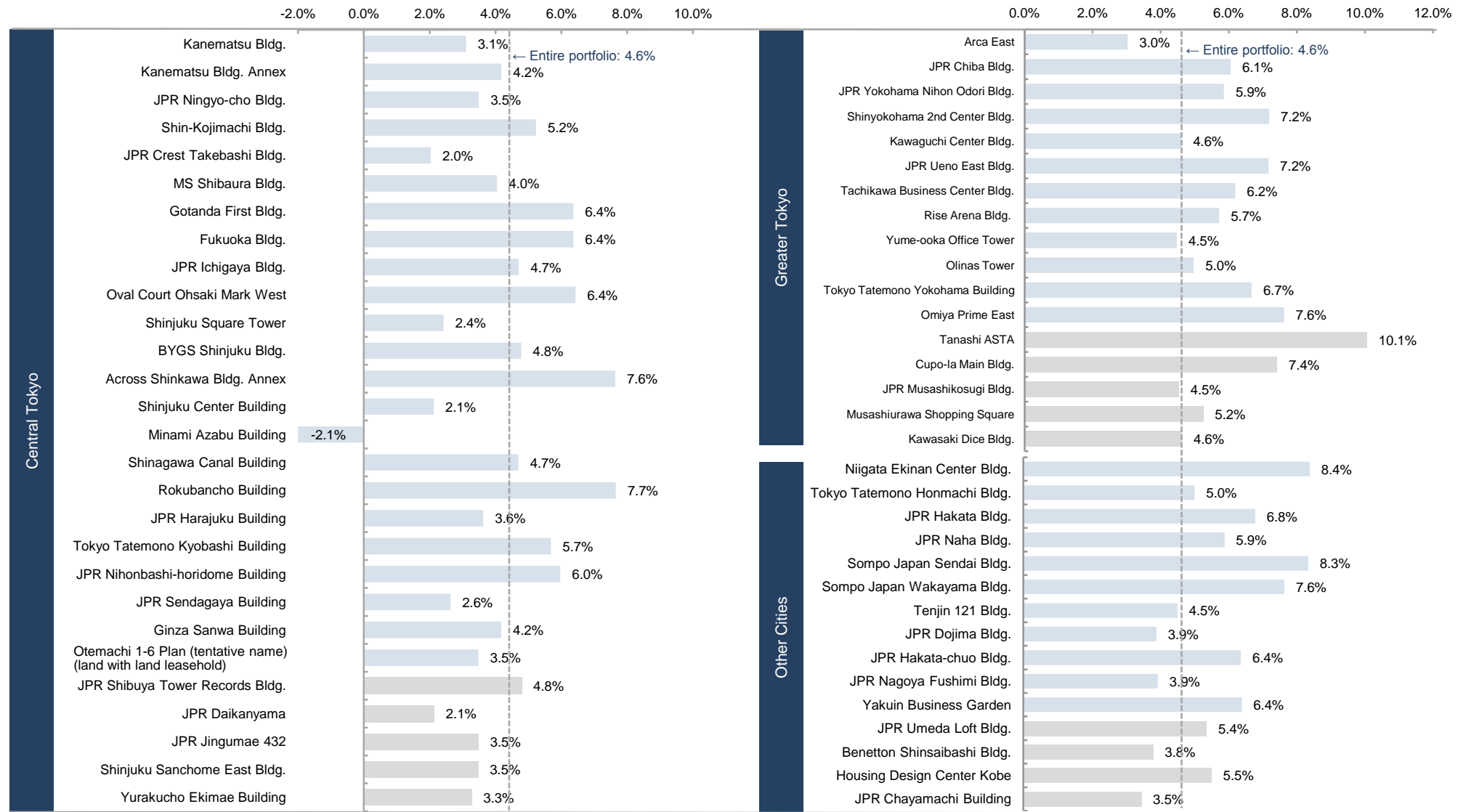
(Note) The above graphs exclude properties at which there were no changes in tenants during the 23rd fiscal period, but include changes in tenants from the amendment of lease contracts, etc.

	Occupied Floor Space	Vacated Floor Space	Net Increase / Decrease of Floor Space
Office (Central Tokyo)	3,328	2,240	+1,286
Office (Greater Tokyo)	9,044	3,056	+5,988
Office (Other Cities)	1,923	1,423	+501
Retail	1,604	90	+1,515
Total	15,898	6,608	+9,290



NOI Yield by Property (23rd Fiscal Period)

Portfolio NOI: 4.6% Office building NOI: 4.4% Retail property NOI: 5.2%

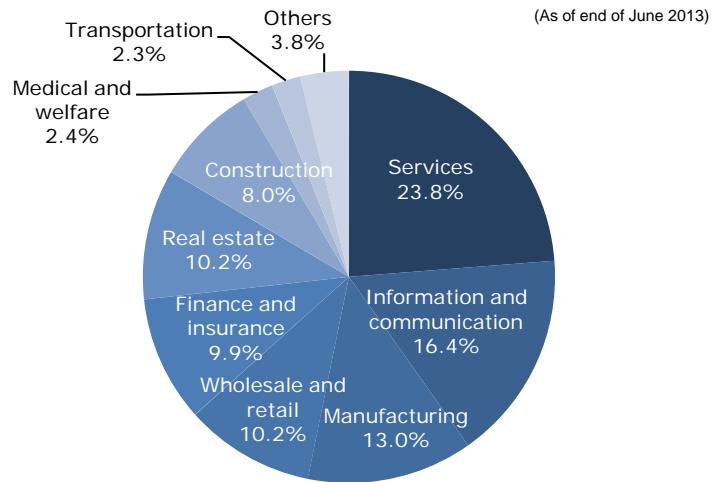


(Note) NOI yield = (Operating revenues - Operating expenses + Depreciation) x 365 / 181 ÷ Acquisition price. However, for properties acquired during the fiscal period, the annualized NOI yield has been calculated on a daily pro rata basis. The entered properties are those owned as of the end of the 23rd fiscal period.

Tenant Diversification

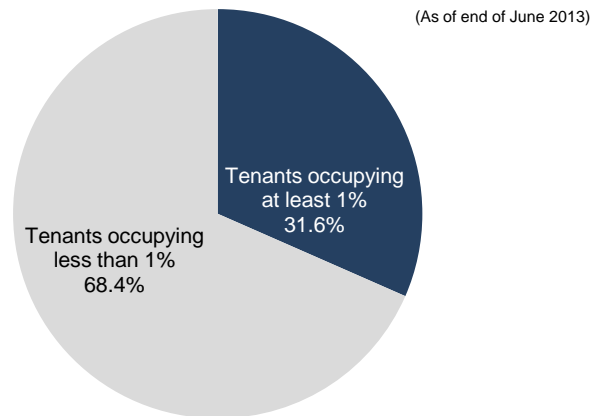
Tenant Ratio by Industry

(Office Properties Only, Based on Leased Floor Space)



Ratio of Tenants Occupying at Least 1% Each

(Office Properties Only, Based on Leased Floor Space)



(Note) "Tenant Ratio by Industry" indicates the ratios of total leased spaces by relevant category to the total leased spaces of respective properties comprising the portfolio. "Ratio of Tenants Occupying at Least 1% Each" indicates the ratios of total leased spaces by tenants occupying at least 1% and less than 1% each, respectively, to the total leased spaces of office properties. Furthermore, with regards to tenants conducting sublease, the ratio is calculated based on the floor spaces subleased to their sublessees. The figures are rounded to the first decimal place.

20 Largest Tenants (Based on Leased Space)

Rank	Office Rank	Tenant Name	Name of Occupying Property	Use	Leased Space at End of 23rd Period (m ²)	Ratio to Total Leased Space at End of Period
1	1	Tokyo Tatemono Co., Ltd.	Shinjuku Square Tower Shinjuku Center Building Olinas Tower Kawasaki Dice Building Tokyo Tatemono Honmachi Bldg.	Office Office Office Retail Office	37,772.27	8.4%
2	-	ABC Development Corporation	Housing Design Center Kobe	Retail	35,444.13	7.9%
3	-	Seiyu GK	Tanashi ASTA	Retail	31,121.71	7.0%
4	-	Ito-Yokado Co., Ltd.	JPR Musashikosugi Bldg.	Retail	19,740.95	4.4%
5	-	The LOFT Co., Ltd.	JPR Umeda Loft Bldg.	Retail	18,586.97	4.2%
6	2	YK Tokyo Prime Stage	Otemachi 1-6 Plan (tentative name) (land with land leasehold)	Office	11,034.78	2.5%
7	-	Olympic Group Corporation	Musashiurawa Shopping Square	Retail	9,558.51	2.1%
8	-	Tower Records Japan Inc.	JPR Shibuya Tower Records Bldg.	Retail	8,076.85	1.8%
9	3	Sompo Japan Insurance Inc.	Kawaguchi Center Bldg. Yume-ooka Office Tower Sompo Japan Sendai Bldg. Sompo Japan Wakayama Bldg.	Office	7,941.96	1.8%
10	4	Taisei-Yuraku Real Estate Co., Ltd.	Rise Arena Bldg.	Office	6,023.39	1.3%
11	-	The Maruetsu, Inc.	Cupo-la Main Bldg.	Retail	5,963.00	1.3%
12	-	BENETTON JAPAN CO., LTD.	Benetton Shinsaibashi Bldg.	Retail	5,303.98	1.2%
13	-	Nitori Holdings Co., Ltd.	Musashiurawa Shopping Square	Retail	5,285.40	1.2%
14	5	Level-5 Inc.	Shinagawa Canal Building Yakuin Business Garden	Office	5,146.03	1.1%
15	6	Hitachi Systems, Ltd.	JPR Nagoya Fushimi Bldg.	Office	4,904.64	1.1%
16	7	ATM Japan, Ltd.	Olinas Tower	Office	4,255.56	1.0%
17	8	CMIC HOLDINGS Co., Ltd.	Gotanda First Bldg.	Office	4,236.65	0.9%
18	9	Canon Imaging Systems Inc.	Niigata Ekinan Center Bldg.	Office	4,078.97	0.9%
19	10	Kajima Corporation	Omiya Prime East	Office	4,005.05	0.9%
20	11	Mitsubishi Electric Information Systems Corporation	MS Shibaura Bldg.	Office	3,922.74	0.9%
20	11	Deloitte Touche Tohmatsu LLC	MS Shibaura Bldg.	Office	3,922.74	0.9%

(Note 1) The ratio has been rounded to the first decimal place.

(Note 2) Figures for buildings under co-ownership, etc. represent the space in proportion to the ownership of JPR.



Appraisal Value by Property for the 23rd Fiscal Period

(JPY mn, %)

	Acquisition Price	End of 22nd Period		Book Value at End of 23rd Period	End of 23rd Period		Change	
		Appraisal Value	Yield		Appraisal Value	Yield	Appraisal Value	Yield
Kanematsu Bldg.	16,276	11,700	4.3	14,809	11,700	4.3	-	-
Kanematsu Bldg. Annex	2,874	2,220	4.7	2,458	2,250	4.7	30	-
JPR Ningyo-cho Bldg.	2,100	2,130	5.1	1,980	2,200	5.0	70	-0.1
Shin-Kojimachi Bldg.	2,420	3,030	4.8	2,398	2,970	4.7	-60	-0.1
JPR Crest Takebashi Bldg.	4,000	3,310	4.6	3,421	3,090	4.6	-220	-
MS Shibaura Bldg.	11,200	11,800	4.9	10,858	11,300	4.9	-500	-
Gotanda First Bldg.	2,920	2,700	5.0	2,683	2,700	4.9	-	-0.1
Fukuoka Bldg.	2,920	3,060	4.5	2,915	2,790	4.5	-270	-
JPR Ichigaya Bldg.	5,100	4,770	4.5	5,281	4,660	4.5	-110	-
Oval Court Ohsaki Mark West	3,500	4,200	4.7	3,085	4,370	4.7	170	-
Shinjuku Square Tower	10,180	7,388	4.2	8,991	7,361	4.2	-27	-
BYGS Shinjuku Bldg.	15,121	13,400	4.5	15,720	13,400	4.5	-	-
Across Shinkawa Bldg. Annex	710	813	5.4	613	813	5.4	-	-
Shinjuku Center Building	21,000	12,500	4.3	21,974	12,800	4.2	300	-0.1
Minami Azabu Building	3,760	2,630	5.4	3,930	2,290	5.4	-340	-
Shinagawa Canal Building	1,870	1,810	4.9	1,810	1,800	4.9	-10	-
Rokubancho Building	2,800	3,120	7.2	2,893	3,120	7.2	-	-
JPR Harajuku Building	8,400	6,900	4.4	8,728	6,760	4.4	-140	-
Tokyo Tatemono Kyobashi Building	5,250	5,210	4.9	5,244	4,580	4.9	-630	-
JPR Nihonbashi-horidome Building	5,100	5,730	4.8	5,068	5,760	4.8	30	-
JPR Sendagaya Building	15,050	10,600	4.3	15,209	10,600	4.3	-	-
Ginza Sanwa Building	3,400	3,260	3.8	3,637	3,250	3.8	-10	-
Otemachi 1-6 Plan (tentative name) (land with land leasehold)	36,000	36,800	3.6	38,388	36,800	3.6	-	-
JPR Shibuya Tower Records Bldg.	12,000	12,100	4.4	11,636	12,300	4.3	200	-0.1
JPR Daikanyama	2,160	1,430	4.4	2,197	1,450	4.3	20	-0.1
JPR Jingumae 432	4,275	3,350	4.1	4,334	3,320	4.0	-30	-0.1
Shinjuku Sanchome East Bldg.	2,740	2,400	4.4	2,717	2,440	4.3	40	-0.1
Yurakucho Ekimae Building	3,400	2,620	4.2	3,371	2,670	4.1	50	-0.1
Central Tokyo	206,526	180,981	-	206,361	179,544	-	-1,437	-
Arca East	5,880	5,830	4.7	4,547	5,980	4.6	150	-0.1
JPR Chiba Bldg.	2,350	1,610	6.1	2,395	1,640	6.1	30	-
JPR Yokohama Nihon Odori Bldg.	2,927	2,380	5.7	2,639	2,380	5.7	-	-
Shinyokohama 2nd Center Bldg.	920	865	6.2	908	865	6.1	-	-0.1
Kawaguchi Center Bldg.	8,100	7,610	6.0	7,147	7,400	6.0	-210	-
JPR Ueno East Bldg.	3,250	4,420	5.1	3,094	4,420	5.0	-	-0.1
Tachikawa Business Center Bldg.	3,188	2,890	5.6	2,974	2,890	5.5	-	-0.1
Rise Arena Bldg.	5,831	6,020	5.3	5,531	6,240	5.1	220	-0.2
Yume-ooka Office Tower	6,510	5,230	5.6	5,801	5,240	5.6	10	-

Property name	Acquisition Price	End of 22nd Period		Book Value at End of 23rd Period	End of 23rd Period		Change	
		Appraisal Value	Yield		Appraisal Value	Yield	Appraisal Value	Yield
Olinas Tower	31,300	32,300	4.7	29,574	32,700	4.6	400	-0.1
Tokyo Tatemono Yokohama Building	7,000	6,860	5.6	6,958	6,880	5.6	20	-
Tanashi ASTA	10,200	12,500	5.7	7,721	12,500	5.7	-	-
Cupo-la Main Bldg.	2,100	2,500	5.9	1,872	2,540	5.8	40	-0.1
JPR Musashikosugi Bldg.	7,260	5,270	5.2	7,217	5,140	5.2	-130	-
Musashiuwara Shopping Square	4,335	3,960	5.4	4,029	3,990	5.4	30	-
Kawasaki Dice Bldg.	15,080	14,300	4.8	14,301	14,400	4.7	100	-0.1
Greater Tokyo	116,231	114,545	-	106,715	115,205	-	660	-
Niigata Ekinan Center Bldg.	2,140	2,170	6.7	1,781	2,180	6.7	10	-
Tokyo Tatemono Honmachi Bldg.	4,150	3,210	5.7	4,145	3,220	5.7	10	-
JPR Hakata Bldg.	2,900	2,780	6.0	3,160	2,780	6.0	-	-
JPR Naha Bldg.	1,560	1,390	6.7	1,419	1,370	6.7	-20	-
Sompo Japan Sendai Bldg.	3,150	3,280	6.3	2,346	3,280	6.3	-	-
Sompo Japan Wakayama Bldg.	1,670	1,590	7.2	1,279	1,580	7.2	-10	-
Tenjin 121 Bldg.	2,810	2,100	5.7	2,273	2,060	5.7	-40	-
JPR Dojima Bldg.	2,140	2,090	5.4	2,134	2,090	5.4	-	-
JPR Hakata-chuo Bldg.	1,920	1,630	5.7	1,781	1,640	5.8	10	0.1
JPR Nagoya Fushimi Bldg.	4,137	2,780	6.2	4,144	2,800	6.2	20	-
Yakuin Business Garden	10,996	11,300	5.4	11,324	11,300	5.4	-	-
JPR Umeda Loft Bldg.	13,000	13,600	4.6	12,541	13,600	4.6	-	-
Benetton Shinsaibashi Bldg.	5,430	4,340	4.8	5,224	4,360	4.8	20	-
Housing Design Center Kobe	7,220	6,450	6.3	6,582	6,460	6.3	10	-
JPR Chayamachi Building	6,000	4,580	5.0	6,002	4,610	5.0	30	-
Other Cities	69,223	63,290	-	66,142	63,330	-	40	-
Total	391,980	358,816	-	379,218	358,079	-	-737	-

Property Acquired in the 23rd Period

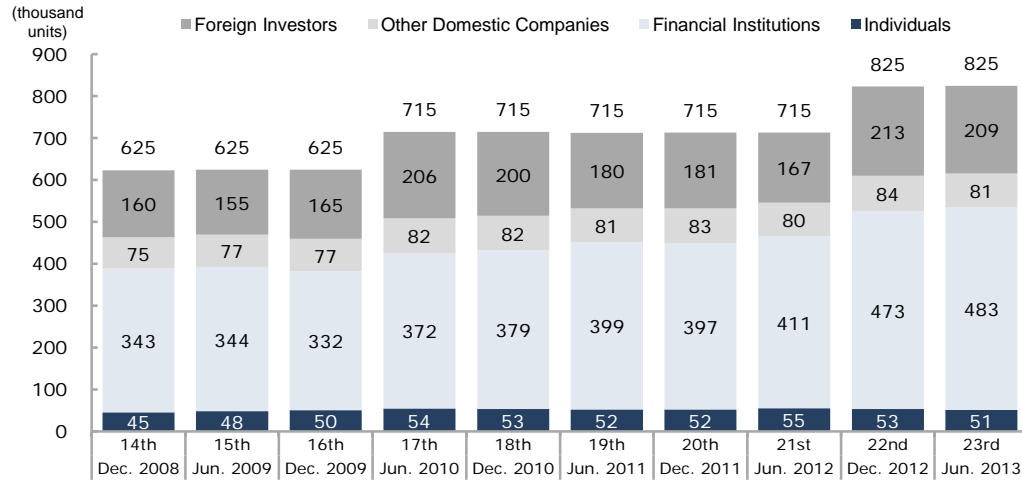
Omiya Prime East	6,090	6,270	5.7	6,287	6,270	5.7	-	-
Yokohama No. 2 Center Bldg. (additional acquisition)	570	855	6.2	581	865	6.1	10	-0.1

Difference between Appraisal Value and Book Value at the end of 23rd fiscal period -20,872

- (Note 1) The acquisition price is the deal price (rounded down to the nearest hundred million yen) described in the transaction contracts with the sellers for respective properties, and does not include expenses related to acquisitions and consumption taxes.
- (Note 2) For the properties acquired in the 23rd fiscal period, the appraisal values obtained upon their acquisitions (Omiya Prime East: as of March 1, 2013, Shinyokohama 2nd Center Building (additional ownership): as of February 1, 2013) have been entered as the appraisal values at the end of the 22nd fiscal period.
- (Note 3) The yield is the capitalization rate based on the Direct Capitalization Method.
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 present value of the net income that the targeted real estate is expected to produce in the future), which capitalizes the net income for a set period using the cap rate.

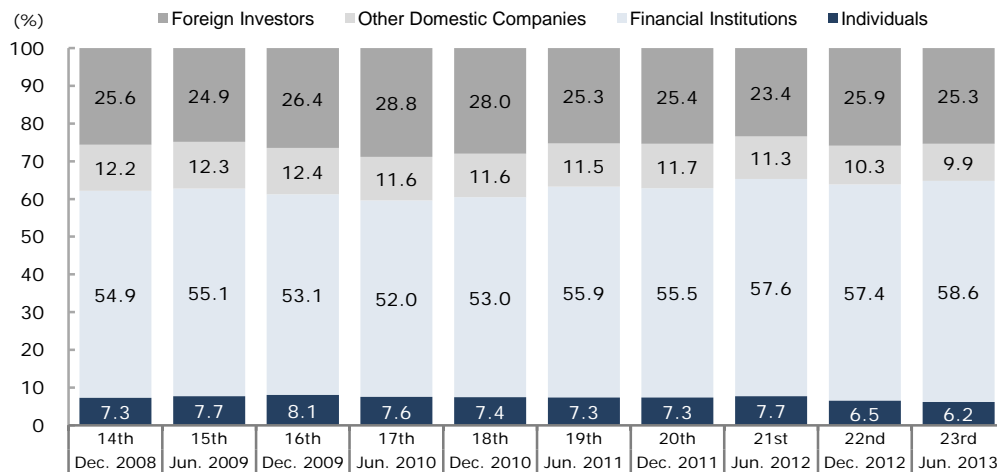
Status of Unitholders

Number of Units by Investor Type



(Note) The number of units outstanding has been rounded to the nearest thousand units.

Unitholder Ratio (by Number of Investment Units)



(Note) The ratio of the number of investment units owned to the total number of investment units outstanding has been rounded to the first decimal place.

Top 10 of Principle Unitholders

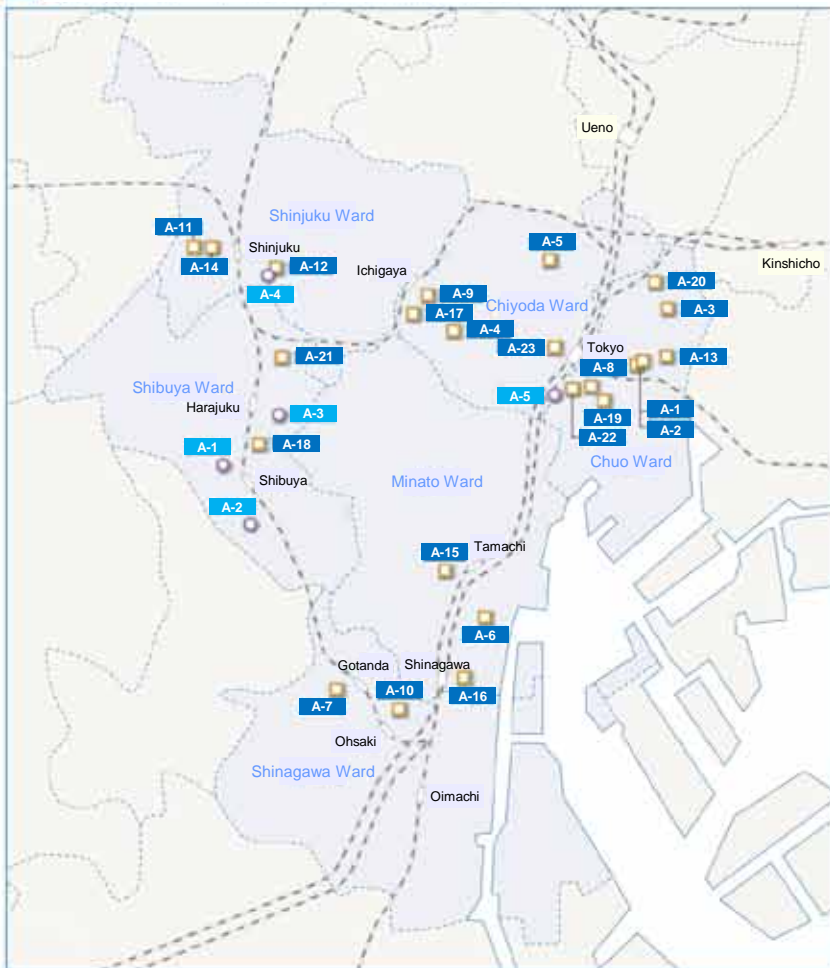
Top 10 of Principle Unitholders	End of 22nd Period Dec. 31, 2012		End of 23rd Period Jun. 30, 2013	
	Number of Units Owned	(%)	Number of Units Owned	(%)
Japan Trustee Services Bank, Ltd. (Trust Account)	174,026	21.1	175,603	21.3
The Master Trust Bank of Japan, Ltd. (Trust Account)	46,855	5.7	44,644	5.4
The Nomura Trust and Banking Co., Ltd. (Investment Trust Account)	40,156	4.9	44,503	5.4
Trust & Custody Services Bank, Ltd. (Securities Investment Trust Account)	42,955	5.2	43,239	5.3
Tokyo Tatemono Co., Ltd.	29,300	3.6	29,300	3.6
Kawasaki Gakuen	25,000	3.0	25,000	3.0
Meiji Yasuda Life Insurance Company	24,000	2.9	24,000	2.9
Nomura Bank (Luxembourg) S. A. (Standing Proxy: Sumitomo Mitsui Banking Corporation)	23,121	2.8	21,733	2.6
State Street Bank and Trust Company . (Standing Proxy: The Hongkong and Shanghai Banking Tokyo Branch)	6,597	0.79	11,009	1.3
SIX SIS LLD (Standing Proxy: The Bank of Tokyo Mitsubishi UFJ, Ltd.)	7,083	0.85	10,065	1.2
Total	442,834	53.7	429,186	52.0

(Note) The ratio of the number of investment units owned to the total number of investment units outstanding has been rounded to the first decimal place.



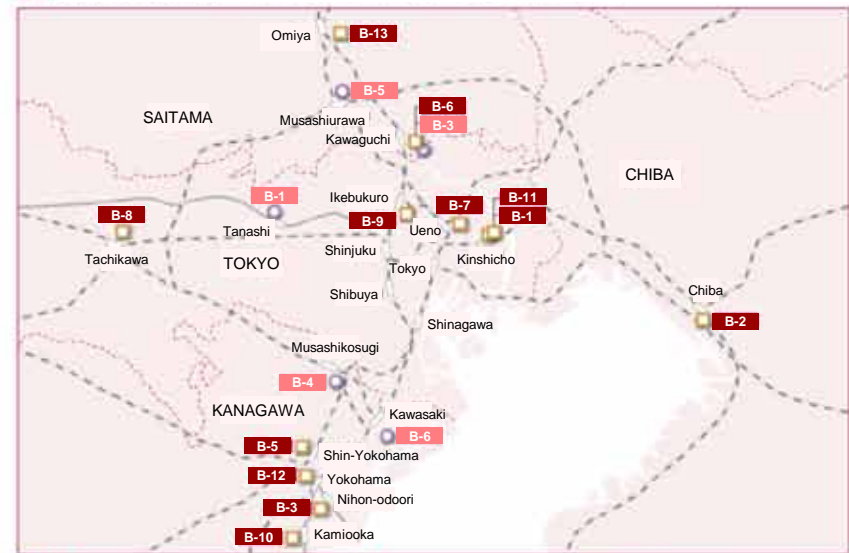
Portfolio Map

A Central Tokyo Chiyoda, Chuo, Minato, Shinjuku, Shinagawa and Shibuya Wards



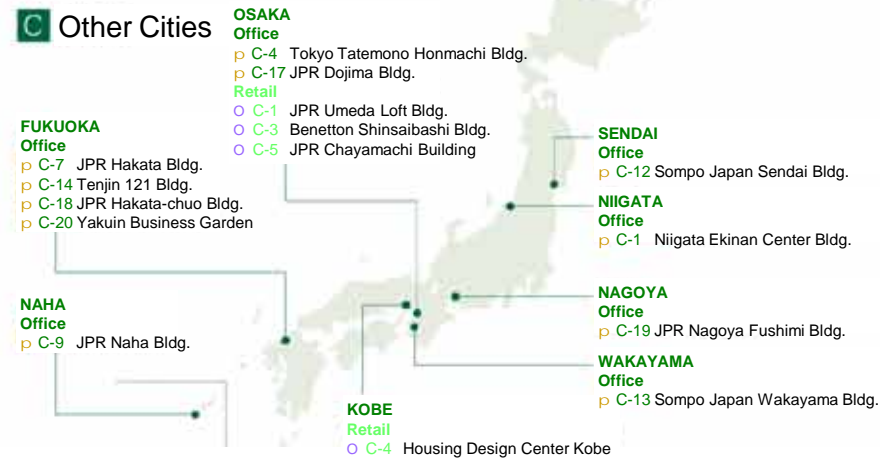
- Office**
- Ⓟ A-1 Kanematsu Bldg.
 - Ⓟ A-2 Kanematsu Bldg. Annex
 - Ⓟ A-3 JPR Ningyo-cho Bldg.
 - Ⓟ A-4 Shin-Kojimachi Bldg.
 - Ⓟ A-5 JPR Crest Takebashi Bldg.
 - Ⓟ A-6 MS Shibaura Bldg.
 - Ⓟ A-7 Gotanda First Bldg.
 - Ⓟ A-8 Fukuoka Bldg.
 - Ⓟ A-9 JPR Ichigaya Bldg.
 - Ⓟ A-10 Oval Court Ohsaki Mark West
 - Ⓟ A-11 Shinjuku Square Tower
 - Ⓟ A-12 BYGS Shinjuku Bldg.
 - Ⓟ A-13 Across Shinkawa Bldg. Annex
 - Ⓟ A-14 Shinjuku Center Building
 - Ⓟ A-15 Minami Azabu Building
 - Ⓟ A-16 Shinagawa Canal Building
 - Ⓟ A-17 Rokubancho Building
 - Ⓟ A-18 JPR Harajuku Building
 - Ⓟ A-19 Tokyo Tatemono Kyobashi Building
 - Ⓟ A-20 JPR Nihonbashi-horidome Building
 - Ⓟ A-21 JPR Sendagaya Building
 - Ⓟ A-22 Ginza Sanwa Building
 - Ⓟ A-23 Otemachi 1-6 Plan (tentative name) (land with land leasehold)
- Retail**
- A-1 JPR Shibuya Tower Records Bldg.
 - A-2 JPR Daikanyama
 - A-3 JPR Jingumae 432
 - A-4 Shinjuku Sanchoe East Bldg.
 - A-5 Yurakucho Ekimae Building (Yurakucho Itocia)

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



- Office**
- Ⓟ B-1 Arca East
 - Ⓟ B-2 JPR Chiba Bldg.
 - Ⓟ B-3 JPR Yokohama Nihon Odori Bldg.
 - Ⓟ B-5 Shinyokohama 2nd Center Bldg.
 - Ⓟ B-6 Kawaguchi Center Bldg.
 - Ⓟ B-7 JPR Ueno East Bldg.
 - Ⓟ B-8 Tachikawa Business Center Bldg.
 - Ⓟ B-9 Rise Arena Bldg.
 - Ⓟ B-10 Yume-ooka Office Tower
 - Ⓟ B-11 Olinas Tower
 - Ⓟ B-12 Tokyo Tatemono Yokohama Building
- Retail**
- B-1 Tanashi ASTA
 - B-3 Cupo-la Main Bldg.
 - B-4 JPR Musashikosugi Bldg.
 - B-5 Musashirawa Shopping Square
 - B-6 Kawasaki Dice Bldg.
- Properties acquired in 23rd period**
- Office**
- Ⓟ B-5 Shinyokohama 2nd Center Bldg. (additional ownership)
 - Ⓟ B-13 Omiya Prime East

C Other Cities



Portfolio List (Central Tokyo)



A-1 Kanematsu Bldg.



A-2 Kanematsu Bldg. Annex



A-3 JPR Ningyo-cho Bldg.



A-4 Shin-Kojimachi Bldg.



A-5 JPR Crest Takebashi Bldg.



A-6 MS Shibaura Bldg.



A-7 Gotanda First Bldg.



A-8 Fukuoka Bldg.



A-9 JPR Ichigaya Bldg.



A-14 Shinjuku Center Building



A-10 Oval Court Ohsaki Mark West



A-11 Shinjuku Square Tower



A-12 BYGS Shinjuku Bldg.



A-13 Across Shinkawa Bldg. Annex



A-15 Minami Azabu Building



A-23 Otemachi 1-6 Plan (tentative name) (land with land leasehold)



A-16 Shinagawa Canal Building



A-17 Rokubancho Building



A-18 JPR Harajuku Building



A-19 Tokyo Tatemono Kyobashi Building



A-20 JPR Nihonbashi-horidome Building



A-21 JPR Sendagaya Building



A-22 Ginza Sanwa Building



A-1 JPR Shibuya Tower Records Bldg.



A-2 JPR Daikanyama



A-3 JPR Jingumae 432



A-4 Shinjuku Sanchome East Bldg.



A-5 Yurakucho Ekimae Building (Yurakucho Itocia)

Portfolio List (Greater Tokyo and Other Cities)



B-1 Arca East



B-2 JPR Chiba Bldg.



B-3 JPR Yokohama Nihon Odori Bldg.



B-5 Shinyokohama 2nd Center Bldg.



B-6 Kawaguchi Center Bldg.



B-7 JPR Ueno East Bldg.



B-8 Tachikawa Business Center Bldg.



B-9 Rise Arena Bldg.



B-10 Yume-oka Office Tower



B-11 Olinas Tower



B-12 Tokyo Tatemono Yokohama Building



B-13 Omiya Prime East



B-1 Tanashi ASTA



B-3 Cupo-la Main Bldg.



B-4 JPR Musashikosugi Bldg.



B-5 Musashiurawa Shopping Square



B-6 Kawasaki Dice Bldg.



C-1 Niigata Ekinan Center Bldg.



C-4 Tokyo Tatemono Honmachi Bldg.



C-7 JPR Hakata Bldg.



C-9 JPR Naha Bldg.



C-12 Somo Japan Sendai Bldg.



C-13 Somo Japan Wakayama Bldg.



C-14 Tenjin 121 Bldg.



C-17 JPR Dojima Bldg.



C-18 JPR Hakata-chuo Bldg.



C-19 JPR Nagoya Fushimi Bldg.



C-20 Yakuin Business Garden



C-1 JPR Umeda Loft Bldg.



C-3 Benetton Shinsaibashi Bldg.



C-4 Housing Design Center Kobe



C-5 JPR Chayamachi Building



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