

December 14, 2016

**For Translation Purposes Only****For Immediate Release**

Japan Prime Realty Investment Corporation  
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## **Notice Concerning Changes in Parent Company and Specified Associated Corporation at Asset Management Company**

Japan Prime Realty Investment Corporation (“JPR”) announced that changes in parent company and specified associated company at Tokyo Realty Investment Management, Inc. (“TRIM”), the asset management company to which JPR entrusts management of its assets, will be made on December 22, 2016. Details are as follows.

### **Details**

#### **1. Reason and Background of Changes**

TRIM was notified today by Tokyo Tatemono Co., Ltd. (hereafter, may be referred to as “Tokyo Tatemono”), Yasuda Real Estate Co., Ltd. and Taisei Corporation that a part of the TRIM shares held by Yasuda Real Estate Co., Ltd. and Taisei Corporation will be transferred to Tokyo Tatemono (the “Share Transfer”) with December 22, 2016 as the planned execution date. In line with the Share Transfer, Tokyo Tatemono’s ownership in TRIM will rise from 40% to 52% as of the execution date and TRIM will fall under the category of a consolidated subsidiary of Tokyo Tatemono.

Tokyo Tatemono, Japan’s leading real estate developer, is a main sponsor of TRIM, and JPR has received a wide range of support from the company since JPR’s listing. The Share Transfer and change of TRIM into a consolidated subsidiary of Tokyo Tatemono along with the transfer are part of a strategy to further reinforce the comprehensive strength of Tokyo Tatemono Group as well as its business portfolio, and JPR believes Tokyo Tatemono’s commitment to JPR will be stronger through such movements. TRIM judged that further exertion of group synergy, such as fund expansion support through cooperation in asset management/property management will contribute to JPR’s stable growth, and thus approved the Share Transfer at its Board of Directors meeting held today.

With this, Tokyo Tatemono is scheduled to become the parent company of TRIM and specified associated company to JPR as of the execution date of the Share Transfer.

The acquisition and sale of properties announced in “Notice Concerning Property Acquisition and Sale (Conclusion of Contract) (Acquisition of ‘GINZA GATES’ and ‘FUNDES Suidobashi’ and Sale of ‘Fukuoka Building’ and ‘JPR Hakata-chuo Building’)” dated December 14, 2016 are implemented as a measure to realize expansion of fund business through the main sponsor’s commitment to and collaboration with JPR.

JPR aims to further strengthen its coordination with each of the TRIM shareholders and maximize unitholders’ interest.



**2. Overview of the company to become a parent company and specified associated corporation following the execution of the Share Transfer**

Name	Tokyo Tatemono Co., Ltd.	
Office address	1-9-9, Yaesu, Chuo-ku, Tokyo	
Title and name of Representative	Hajime Sakuma President and Chief Executive Officer	
Business lines	Real Estate Business	
Paid-in capital	92.451 million yen (as of December 31, 2015)	
Established	October 1, 1896	
Consolidated net assets	312,530 million yen (as of December 31, 2015)	
Consolidated total assets	1,297,112 million yen (as of December 31, 2015)	
Large shareholders and shareholding ratios	Master Trust Bank of Japan, Ltd. (Trust Account): 6.62% Japan Trustee Services Bank, Ltd. (Trust Account): 4.37% Sompo Japan Nipponkoa Insurance Inc.: 2.42% Meiji Yasuda Life Insurance Company (Standing proxy: Trust & Custody Services Bank, Ltd.): 2.18%	
Relationship with JPR or TRIM	Capital relationship	The company owns 40% of TRIM's shares and 3.35% of JPR's investment units as of today. After the Share Transfer, the company will fall under the category of parent company of TRIM, holding 52% of the shares of TRIM, as well as the category of specified associated corporation.
	Personnel relationship	As of today, 11 directors and employees (excluding non-executive directors) of TRIM are seconded from the company.
	Business relationship	As of today, the company has concluded with JPR, a non-exclusive tenant agency services agreement, a service agreement regarding laws related to environment, and with TRIM, a non-exclusive tenant agency services agreement, a service agreement regarding laws related to environment, a property transfer services agency agreement, a leasing sales management and construction planning advisory services agreement. Tokyo Tatemono is seller, buyer and property manager of some properties owned by JPR. There is no transaction to report between JPR, TRIM and the company other than the Share Transfer and transactions described in "Notice Concerning Property Acquisition and Sale (Conclusion of Contract)" separately announced today.

**3. Planned date of the changes**

December 22, 2016

#### 4. Number of shares (voting rights) held by the changed shareholders and their ratio to the total number of voting rights

(1) Tokyo Tatemono Co., Ltd.

	Attribute	Number of voting rights (Number of shares held)	Ratio to the total number of voting rights	Major shareholder ranking
Before change	Major shareholder	2,800 (2,800 shares)	40%	1st
After change	Major shareholder / Parent company / Specified associated company	3,640 (3,640 shares)	52%	1st

(2) Yasuda Real Estate Co., Ltd.

	Attribute	Number of voting rights (Number of shares held)	Ratio to the total number of voting rights	Major shareholder ranking
Before change	Major shareholder	1,400 (1,400 shares)	20%	2nd
After change	Major shareholder	1,260 (1,260 shares)	18%	2nd

(3) Taisei Corporation

	Attribute	Number of voting rights (Number of shares held)	Ratio to the total number of voting rights	Major shareholder ranking
Before change	Major shareholder	1,400 (1,400 shares)	20%	2nd
After change	Major shareholder	700 (700 shares)	10%	3rd

\* Number of shares deducted from the total number of shares outstanding as those without voting rights: 0  
 Total number of shares outstanding as of December 14, 2016: 7,000

(Reference) Shareholder composition after the Share Transfer (changes are underlined)

Company name	Attribute	Number of voting rights (Number of shares held)	Ratio to the total number of voting rights
Tokyo Tatemono Co., Ltd.	<u>Major shareholder / Parent company / Specified associated company</u>	<u>3,640</u> (3,640 shares)	<u>52%</u>
Yasuda Real Estate Co., Ltd.	Major shareholder	<u>1,260</u> (1,260 shares)	<u>18%</u>
Taisei Corporation	Major shareholder	<u>700</u> (700 shares)	<u>10%</u>
Sompo Japan Nipponkoa Insurance Inc.	Major shareholder	700 (700 shares)	10%
Meiji Yasuda Life Insurance Company	Major shareholder	700 (700 shares)	10%
Total		7,000 (7,000 shares)	100%

## 5. Future Outlook

(1) Change in JPR's asset management agreement

No change is planned.

(2) Change in structure of TRIM

No change is planned.

(3) Change in investment management decision-making structure

No change is planned.

(4) Change in rules concerning compliance, related-parties, etc.

No change is planned.

(5) Change in investment policy

No change is planned.

(6) Change in agreements with sponsors, etc.

No change is planned.

(7) Continuation of JPR's listing

JPR plans to remain listed.

(8) Future policy, etc.

In the event when matters to be disclosed concerning execution of operation of JPR and TRIM arise, such will be promptly announced.

JPR and TRIM will complete required procedures in regard to the change pursuant to requirements stipulated in the Financial Instruments and Exchange Act, Building Lots and Building Transactions Business Act, and other applicable laws and regulations.

\* JPR website: <http://www.jpr-reit.co.jp/en>