

Translation

Japan Prime Realty Investment Corporation
Financial Report for the 44th Fiscal Period Results (July 1, 2023 – December 31, 2023)

February 16, 2024

REIT Securities Issuer: Japan Prime Realty Investment Corporation Listing: Tokyo Stock Exchange
 Securities Code: 8955 URL: <https://www.jpr-reit.co.jp/en/>
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Scheduled date of submission of securities report: March 26, 2024
 Scheduled date of commencement of distribution payout: March 8, 2024
 Preparation of supplementary explanatory materials on financial results: Yes / No
 Holding of briefing session on financial results: Yes / No (for analysts and institutional investors)

1. Financial Results for the 44th Fiscal Period (July 1, 2023 – December 31, 2023)

[Amounts are rounded down to the nearest million yen, except for per unit figures.]
 [% figures represent the increase (decrease) compared with the previous fiscal period]

(1) Operating Results

	Operating Revenue		Operating Income		Ordinary Income		Net Income	
	million yen	%	million yen	%	million yen	%	million yen	%
For the six months ended December 31, 2023	17,411	(4.2)	8,151	(8.0)	7,357	(9.2)	7,356	(9.2)
June 30, 2023	18,173	(3.0)	8,859	(4.5)	8,099	(4.4)	8,098	(4.4)

	Net Income per Unit (EPU)	Net Income / Net Assets	Ordinary Income / Total Assets	Ordinary Income / Operating Revenue
	yen	%	%	%
For the six months ended December 31, 2023	7,377	2.7	1.4	42.3
June 30, 2023	8,121	3.0	1.6	44.6

(2) Distributions

	Distribution per Unit (DPU) [excluding exceeding profit distribution amount]	Distribution Amount	Exceeding Profit Distribution per Unit	Exceeding Profit Distribution Amount	Dividend Payout Ratio	Distribution / Net Assets
	yen	million yen	yen	million yen	%	%
For the six months ended December 31, 2023	7,600	7,578	–	–	103.0	2.8
June 30, 2023	7,600	7,578	–	–	93.5	2.8

- (Note 1) Dividend payout ratio is rounded down to the first decimal place.
 (Note 2) The difference between the distribution amount and net income for the six months ended June 30, 2023, is attributable to the fact that part of the unappropriated retained earnings (520 million yen) was internally reserved as reserve for reduction entry.
 (Note 3) The difference between the distribution amount and net income for the six months ended December 31, 2023, is attributable to the fact that part of reserve for reduction entry (221 million yen) was reversed.

(3) Financial Position

	Total Assets	Net Assets	Net Assets / Total Assets	Net Asset Per Unit
	million yen	million yen	%	yen
As of December 31, 2023	510,802	273,752	53.6	274,527
June 30, 2023	510,069	273,974	53.7	274,749

(4) Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
For the six months ended	million yen	million yen	million yen	million yen
December 31, 2023	9,288	(1,239)	(7,577)	39,812
June 30, 2023	13,056	(13,994)	(5,226)	39,341

2. Forecasts for the 45th Fiscal Period Ending June 30, 2024 (January 1, 2024 – June 30, 2024) and the 46th Fiscal Period Ending December 31, 2024 (July 1, 2024 – December 31, 2024)

[Amounts are rounded down to the nearest million yen, except for per unit figures.]
[% figures represent the increase (decrease) compared with the previous fiscal period]

	Operating Revenue		Operating Income		Ordinary Income		Net Income		DPU [excluding exceeding profit distribution per unit]	Exceeding Profit Distribution Per Unit
	million yen	%	million yen	%	million yen	%	million yen	%	yen	yen
45th Fiscal Period Ending June 30, 2024	17,695	1.6	8,309	1.9	7,479	1.7	7,479	1.7	7,600	-
46th Fiscal Period Ending December 31, 2024	17,916	1.2	8,412	1.2	7,499	0.3	7,499	0.3	7,600	-

(Reference) Estimated net income per unit (forecast net income / forecast number of investment units at end of period)

45th fiscal period ending June 30, 2024: 7,500 yen

46th fiscal period ending December 31, 2024: 7,520 yen

(Note 1) DPU for the 45th fiscal period ending June 30, 2024, is calculated on the assumption that part of the reserve for reduction entry (99 million yen) will be reversed and distributed.

(Note 2) DPU for the 46th fiscal period ending December 31, 2024, is calculated on the assumption that part of the reserve for reduction entry (79 million yen) will be reversed and distributed.

3. Other

(1) Changes in Accounting Policies, Changes in Accounting Estimates and Retrospective Restatement

- (a) Changes in accounting policies accompanying amendments to accounting standards, etc.: None
(b) Changes in accounting policies other than in (a): None
(c) Changes in accounting estimates: None
(d) Retrospective restatement: None

(2) Number of Investment Units Issued and Outstanding

- (a) Number of investment units (including treasury units) issued and outstanding at end of period

As of December 31, 2023: 997,178 units As of June 30, 2023: 997,178 units

- (b) Number of treasury units at end of period

As of December 31, 2023: 0 units As of June 30, 2023: 0 units

(Note) With regard to the number of investment units, which serves as the basis for calculating net income per unit, please refer to "Per Unit Information," on page 22.

* This financial report is not subject to audit procedures by public accountants or audit corporations.

* Special note

The forecasts for the 45th fiscal period ending June 30, 2024, and the 46th fiscal period ending December 31, 2024, are calculated as of February 16, 2024, based on the assumptions described on pages 9 and 10 of this report. Accordingly, actual operating revenue, operating income, ordinary income, net income, DPU and exceeding profit distribution per unit may differ from the forecasts. Moreover, the forecasts should not be construed as a guarantee of the distribution amount.

This is an English-language translation of original Japanese announcement on our website released on February 16, 2024. However, no assurance or warranties are given with respect to the accuracy or completeness of this English-language translation. The Japanese original shall prevail in the case of discrepancies between this translation and the Japanese original.

1. Management Status

1) Overview of Fiscal Period under Review

a) Milestones of JPR

Japan Prime Realty Investment Corporation (JPR) was established on September 14, 2001, under the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended), and was listed on the Tokyo Stock Exchange Real Estate Investment Trust Section on June 14, 2002, with 289,600 outstanding investment units. With the subsequently implemented public offerings and other capital raising measures by JPR, the number of investment units issued and outstanding totals 997,178 units as of the end of the 44th fiscal period (December 31, 2023). JPR has assigned the asset management of its portfolio to Tokyo Realty Investment Management, Inc. (TRIM), through which JPR aims to maximize unitholder value by efficiently managing the portfolio primarily comprising office properties and retail properties.

b) Management Environment

During the 44th fiscal period, the Japanese economy remained strong against the backdrop of the increase in domestic demand, despite a slight weakness in overseas economies. On the demand side, consumer spending stayed on a solid note despite rising general prices, and capital investment also showed a recovery trend. In terms of supply, although the recovery of overseas demand is sluggish, domestic production activities are showing a steady movement. Moreover, corporate earnings demonstrated recovery both in manufacturing industries and the non-manufacturing sector. However, labor shortage is intensifying in a wide range of industries, raising concerns about the impact on the entire economy.

The Office Property Leasing Market

In the office property leasing market, the needs of tenants to relocate for expansion and expand office spaces in the same buildings are gradually recovering due to strong corporate performance and the increasing attendance rate, and the vacancy rate in central Tokyo is declining moderately. There are also some areas where average rent turned to rise. Similar trends are observed in Greater Tokyo and other cities.

The Retail Property Leasing Market

At urban retail properties which JPR targets for investment, although the impact of rising costs, which are caused by rising general prices, and labor shortages was seen in some areas, sales are on a recovery trend with an increase in the number of customers visiting stores due to the recovery in the flow of people and the increase in demand from inbound foreign tourists.

The For-Sale Real Estate Market

Active real estate transactions continue to take place in Japan against the backdrop of relatively low interest rates among other factors. Close attention must continuously be paid, however, to how interest rate trends and the foreign exchange market may affect the market conditions going forward. For office properties that are major targets of JPR for investment, blue-chip properties are in short supply while investors still show a strong appetite to acquire them. Thus, with low-yield transactions continuing to prevail, the acquisition environment remains harsh. Accordingly, investors continue to look for ways to effectively acquire properties, such as by diversifying the target assets for investment and conducting asset replacement.

In addition, amid the ongoing normalization of socio-economic activities, domestic demand centered on consumer spending as well as demand from inbound foreign tourists are on a recovery trend, and transactions of hotels for which investors have shown a cautious attitude are also becoming active.

c) Portfolio Management Status

Acquisition of New Properties and Asset Replacement

JPR investigates possible investments mainly in office properties in the Tokyo area, plus office properties in regional cities and retail properties, etc., with the primary aim of improving the quality of the portfolio and achieving stable growth of earnings while giving attention to balancing the diversification of the portfolio, both in terms of location and asset type.

During the 44th fiscal period, JPR investigated possible investments primarily in office properties in the Tokyo area, but no acquisition was closed and completed. As of the end of December 2023, the balance of JPR's assets under management totaled 67 properties, or 497.0 billion yen on an acquisition price basis, with the total leasable floor space standing at 497,252 m² and the number of tenants at 1,236.

Operational Management of Portfolio

In the office property leasing market in the 44th fiscal period, vacancy rate is declining moderately due to the increasing trend of positive tenant needs such as the relocation for expansion and the expansion of office spaces in the same buildings, as mentioned in Management Environment above. Nevertheless, the situation demands that close attention be continuously paid. Under such circumstances, JPR endeavored to attract new tenants through strategic leasing activities and enhance the satisfaction of existing tenants by maintaining close cooperation with property management companies and brokers, with an aim to secure stable earnings across the entire portfolio as well as its occupancy rate. As a result of these efforts, the occupancy rate at the end of the 44th fiscal period was kept at a high level, as it rose 0.6 percentage points period-on-period to 98.7%.

In terms of property management, JPR continued to proactively implement value enhancement works based on tenant needs, on the ground of its brand concept A/3S (Amenity/Service, Safety and Save Energy) that has been established with an aim to create spaces where the workers feel satisfaction.

On top of this, JPR is engaged in a variety of environmental initiatives. In terms of construction work, JPR conducted replacement of lighting equipment with LED lamps, replacement of air conditioning units, replacement of power-receiving and transforming facilities, renewal of elevators and replacement of toilets, etc., which are expected to be effective for CO₂ emissions-reduction efforts, at its multiple properties.

JPR also continues its endeavors to obtain environmental certifications. As of December 31, 2023, JPR has acquired DBJ Green Building Certification^{*1} for 14 properties in total (including one newly certified property). JPR has also obtained CASBEE for Building Certification^{*2} for 42 properties in total (including one newly certified property), and BELS^{*3} certification for 4 properties in total (including one newly certified property) (including one property certified as ZEB Oriented (a ZEB^{*4} certification type designated as ZEB Oriented^{*5})). On top of these certifications JPR acquired, its endeavors on environmental issues were so acknowledged that it was designated as “Green Star” in the GRESB^{*6} Real Estate Assessment for 2023, marking the tenth consecutive year of recognition with the highest ranking in the survey. JPR has also been granted the highest rank of “5 Stars” in the rating, which makes relative assessment based on total scores, for five consecutive years.

*1 The DBJ Green Building Certification is a certification system to select superior real estate that meets the demand of the times by scoring buildings based on the scoring model originally developed by Development Bank of Japan Inc. Its purpose is to promote properties that are environmentally friendly, equipped to mitigate disasters and prevent crime, as well as meet the social requirements surrounding real estate from various stakeholders (“Green Buildings”).

*2 CASBEE, which stands for Comprehensive Assessment System for Built Environment Efficiency, is a system for comprehensively assessing the environmental performance of buildings. Efforts to develop and popularize the system in Japan are being carried out under the leadership of the Ministry of Land, Infrastructure, Transport and Tourism.

*3 BELS is an abbreviation for Building-Housing Energy-efficiency Labeling System. It is a performance-labeling system created for the purpose that a third-party organization accurately conducts the evaluation and indication of energy-efficiency performance of non-residential buildings in accordance with the Assessment Guidelines on Energy Efficiency Performance of Non-residential Buildings (2013) established by the Ministry of Land, Infrastructure, Transport and Tourism.

*4 ZEB is an abbreviation of Net Zero Energy Building, and refers to buildings that aim to balance out the annual primary energy they consume to zero, while realizing a comfortable indoor environment.

*5 ZEB Oriented refers to special use buildings with a total floor space of 10,000 m² or more that have adopted measures to achieve energy conservation and reduced primary energy consumption by at least 40% from the standards set in the Act on the Improvement of Energy Consumption Performance of Buildings.

*6 GRESB is an annual benchmarking assessment to measure ESG (Environmental, Social and Governance) awareness of real estate companies and funds, as well as the name of the organization which runs the assessment system. It was founded in 2009 primarily by major European pension fund groups. Of the survey subjects, GRESB Real Estate Assessment covers real estate companies and funds that are mainly engaged in managing existing properties.

Fund Procurement

JPR focuses its endeavors on debt financing with an emphasis placed on lengthening debt maturity and diversifying repayment dates in an effort to make its financial base more solid and stronger. JPR borrowed 18.5 billion yen in the 44th fiscal period to fund the refinancing of interest-bearing debts (excluding short-term debts) it repaid during the same fiscal period.

As of the end of the 44th fiscal period, the balance of interest-bearing debts totaled 205.4 billion yen, with a balance of borrowings of 169.5 billion yen and a balance of investment corporation bonds of 35.9 billion yen. The ratio of interest-bearing debt to total assets (LTV) (Note 1) was 40.2%, long-term and fixed interest-bearing debt ratio (Note 2) was 100.0%, average debt cost (Note 3) was 0.76% and average maturity (Note 4) was 4.5 years as of the end of the fiscal period.

Moreover, JPR established a commitment line with a credit limit of 24.0 billion yen with six financial institutions.

The following represents the issuer ratings for JPR as of the end of the 44th fiscal period.

Details of Corporate Credit Ratings as of December 31, 2023

Credit Rating Agency	Corporate Credit Rating (outlook)
Japan Credit Rating Agency, Ltd. (JCR)	AA (Stable)
Rating and Investment Information, Inc. (R&I)	AA- (Stable)

(Note 1) Ratio of interest-bearing debts to total assets (LTV): (balance of borrowings + balance of investment corporation bonds) / total assets

(Note 2) Long-term and fixed interest-bearing debt ratio: long-term, fixed-interest interest-bearing debts / total interest-bearing debt

(Note 3) Average debt cost: sum total of interest expenses, interest expenses on investment corporation bonds, borrowing expenses (excluding expenses for early repayment of borrowings and for commitment line agreements), amortization of investment corporation bond issuance costs and investment corporation bond management expenses, divided by the number of business days for each fiscal period and annualized by multiplying by 365 days / average balance of borrowings and investment corporation bonds for each fiscal period

(Note 4) Average maturity is arrived at by calculating a weighted average of maturities from the end of the 44th fiscal period to the repayment deadlines for all interest-bearing debts based on the balance of each interest-bearing debt.

d) Operating Results and Cash Distributions

As a result of the aforementioned management performance, JPR posted operating revenue of 17,411 million yen, ordinary income of 7,357 million yen and net income of 7,356 million yen for its 44th fiscal period ended December 31, 2023. With regard to the cash distributions, JPR decided to distribute part of the retained earnings brought forward that had been internally reserved through the 43rd 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 (Act No. 26 of 1957, as amended)) and in order to minimize the burden to unitholders incurred by accrual of corporate income tax, etc. In addition, for the 44th fiscal period, JPR decided to reverse part of reserve for reduction entry (221 million yen) provided pursuant to the Special Provisions for Taxation in Cases of Repurchase of Specified Assets (Article 65-7 of the Act on Special Measures Concerning Taxation). As a result, the cash distribution per unit came to 7,600 yen for the 44th fiscal period.

2) Forecast for the Next Fiscal Period

a) Outlook for Management Status

For the moment, the Japanese economy is expected to keep recovering gradually, given the improving employment and income environments and the effects of various policies. In particular, due to a rise in demand from inbound foreign tourists and consumer spending as well as the growth in capital investment, etc., the Japanese economy is expected to remain solid going forward. However, attention should be paid to the concerns about possible stagnation in overseas economies and the impacts of fluctuations in the financial and capital markets in and outside Japan.

In the office property leasing market, needs for relocation and floor expansion are returning, and a gradual recovery from the bottom is anticipated. Under these circumstances, JPR is resolved to continue its endeavors to enhance the competitiveness of its owned properties, as it focuses on improving tenant satisfaction through proactive implementation of value enhancement works and provision of elaborate management services.

In the for-sale real estate market, it has become even more important to discern the growth potential in earnings of respective properties, while continuously taking into account the impact of the changes in the Japanese economy on the leasing market. In consideration of the current situation in which the low-yield environment continues to stay, it is necessary to firmly keep the attitude of vigorously selective investment for implementing real estate investment that assumes possession of properties over the medium to long term.

i) Acquisition of New Properties and Asset Replacement

JPR will continue to make investment focused on office properties in the Tokyo area, with an aim to improve the quality of its portfolio and enhance its growth potential and stability over the long term. In the for-sale office property market, the purchase cap rate and expected cap rate levels are still low, with properties remaining in short supply. Although close attention must be paid to the trends in the leasing market going forward, JPR will fully investigate the stability and growth potential of candidate properties when acquiring them. As for retail properties, etc., JPR will work to invest in strictly selected blue-chip properties that can maintain stable revenues at a certain level in order to complement the stability of earnings of the entire portfolio. As it investigates properties, JPR will continue its endeavors to acquire new properties under reasonable terms by negotiating prices based on detailed market studies and property due diligence.

Moreover, JPR will make investment decisions by proactively collecting information in collaboration with Tokyo Tatemono Co., Ltd., the main sponsor of TRIM, accurately assessing market trends and carefully researching investment value, including the future potential of candidate properties.

Furthermore, JPR will also investigate asset replacement by taking into consideration the timing of implementation, in order to improve the quality of its portfolio and enhance its growth potential over the long term.

ii) Management of Portfolio

JPR will aim to secure stable earnings over the medium to long term by working to prevent move-outs of existing tenants, encourage them to expand office spaces in the same buildings and renew contracts with upward revision of rents through endeavors to enhance tenant satisfaction, while continuously attracting new tenants through strategic leasing activities. Specifically, JPR will conduct management and operations based on the following policies:

- Strengthen coordination with property management companies and respective tenant brokers
- Propose leasing terms and conditions in consideration of the current leasing market situations and promote rapid decision-making
- Conduct strategic value enhancement with the intent to improve property earnings and increase tenant satisfaction
- Reinforce responses to business continuity plans and environmental friendliness that command high social demand

iii) Fund Procurement

In accordance with its basic policy of implementing conservative financial operations that focus on stability, JPR will control its LTV in a conservative manner. In debt financing, JPR will endeavor to further lengthen maturity with a focus on stability in an effort to diversify repayment dates and reduce the repayment amount for each fiscal period, with an eye on reducing refinancing risks that may arise with future changes in the financial environment. Moreover, JPR intends to work on fund procurement through issuance of investment corporation bonds as it aims to diversify fund procurement means and sources.

iv) Information Disclosure

Positioning the proactive voluntary disclosure of information as one of its key management policies, JPR voluntarily discloses information believed to be useful to investment decisions, along with the information disclosure required by the Tokyo Stock Exchange and that set forth by laws and regulations, etc. As a means for implementing voluntary disclosure, JPR is proactively employing its website (<https://www.jpr-reit.co.jp/en/>) to post information including monthly occupancy rates of all properties in the portfolio and historical data as well as offer expanded information on sustainability and deliver video presentations on financial results sessions for securities analysts.

v) Significant Subsequent Events

There are no material subsequent events for this fiscal period.

<Reference Information>

Property Acquisition

JPR concluded a sale and purchase agreement regarding the following property on February 16, 2024.

<Nakano Central Park East>

Details of Property

Location: 10-1 Nakano 4-chome, Nakano-ku, Tokyo (residential address)
Type of ownership: Land: Ownership (co-ownership: 53.0% co-ownership interest)
Building: Ownership (co-ownership: 53.0% co-ownership interest)
Site area: 6,045.05 m² (equivalent to ownership interest: 3,203.88 m²)
Total floor space: 37,870.65 m² (equivalent to ownership interest: 20,071.44 m²)
Type of structure: Steel-framed reinforced concrete structure with flat roof, B2/10F
Completion date: March 2012
Number of tenants: 14
Total leasable floor space: 13,523.68 m²
Total leased floor space: 12,555.41 m²
Occupancy rate: 92.8%

(Note) Since a pass-through-type master lease agreement has been concluded between the trustee and Tokyo Tatemono Co., Ltd. (master lessee), “Number of tenants” indicates the number of sublessees to which the master lessee is subleasing the property at the time of the conclusion of the sale and purchase agreement. In addition, “Total leasable floor space” and “Total leased floor space” indicate the figures equivalent to the percentage of ownership interest to be acquired by JPR of the area leased to the sublessee by the master lessee at the time of the conclusion of the sale and purchase agreement.

Terms and conditions of the transaction
Transaction price: 28,800 million yen
Asset type: Beneficiary interest
Agreement date: February 16, 2024
Acquisition date: March 1, 2024 (scheduled)

b) Outlook for Management Status (Operating Results)

JPR expects the following management status in the 45th fiscal period (from January 1, 2024 to June 30, 2024) and the 46th fiscal period (from July 1, 2024 to December 31, 2024).

	45th Fiscal Period	46th Fiscal Period
Operating revenue	17,695 million yen	17,916 million yen
Operating income	8,309 million yen	8,412 million yen
Ordinary income	7,479 million yen	7,499 million yen
Net income	7,479 million yen	7,499 million yen
Distribution per unit	7,600 yen	7,600 yen
Exceeding profit distribution per unit	- yen	- yen

For the assumptions underlying this outlook of management status, please refer to “Assumptions for the 45th Fiscal Period (from January 1, 2024 to June 30, 2024) and the 46th Fiscal Period (from July 1, 2024 to December 31, 2024)” shown below.

(Note) The forecast figures above are the current forecasts calculated based on certain assumptions. Accordingly, the actual operating revenue, operating income, ordinary income, net income, distribution per unit and exceeding profit distribution per unit may vary due to changes in the circumstances. Moreover, the forecast above should not be construed as a guarantee of the distribution amount.

Assumptions for the 45th Fiscal Period (from January 1, 2024 to June 30, 2024) and
the 46th Fiscal Period (from July 1, 2024 to December 31, 2024)

Item	Assumptions
Operation Period	45th fiscal period: from January 1, 2024 to June 30, 2024 (investment period: 182 days) 46th fiscal period: from July 1, 2024 to December 31, 2024 (investment period: 184 days)
Property Portfolio	<ul style="list-style-type: none"> On the basis of the 67 properties owned by JPR as of February 16, 2024, it is assumed that JPR will acquire Nakano Central Park East (scheduled for March 1, 2024). In practice, this assumption may vary due to such events as acquisition of additional properties or sale of existing properties other than the above-mentioned properties.
Operating Revenue	<ul style="list-style-type: none"> Real estate rental revenues are calculated on the basis of the lease contracts effective as of the end of the 44th fiscal period ended December 31, 2023, with consideration given to such factors as the market environment and status of negotiations with tenants, as well as taking into account the impact of certain tenant move-ins and move-outs, among other factors. JPR also assumes that rents will be paid on time and that no tenants will fail or decline to pay rents.
Operating Expenses	<ul style="list-style-type: none"> Among rental expenses, which are the principal operating expenses, outsourcing expenses and other expenses excluding depreciation are calculated based on historical data, etc., reflecting variable factors of expenses. Outsourcing expenses are assumed to be 752 million yen for the 45th fiscal period and 772 million yen for the 46th fiscal period. For property taxes and city planning taxes, JPR assumes 2,634 million yen for the 45th fiscal period and 2,628 million yen for the 46th fiscal period. In general practice, the property taxes and city planning taxes levied on properties acquired are settled after prorating for the period with the previous owner at the time of acquisition, but JPR includes the amount equivalent to such settlement in the acquisition costs for the properties. For expenditures for the repair and maintenance of buildings, the amount expected to be required in each of the fiscal periods has been recorded. However, the expenditures for repair and maintenance for each of the fiscal periods could differ significantly from the estimated amount, as expenditures may arise due to damage to the building caused by unexpected factors, etc., and because the variance in amounts generally tends to grow from year to year and repair expenses do not arise regularly. Depreciation is calculated using the straight line method, including additional future capital expenditures. Depreciation is assumed to be 2,145 million yen for the 45th fiscal period and 2,201 million yen for the 46th fiscal period. Operating expenses excluding rental expenses other than rental business expenses (asset management fees, administrative service and custodian fees, etc.) are assumed to be 997 million yen for the 45th fiscal period and 1,006 million yen for the 46th fiscal period.
Non-Operating Income	<ul style="list-style-type: none"> As for major non-operating income, JPR assumes income on settlement of management association accounts to be 25 million yen for the 45th fiscal period and 3 million yen for the 46th fiscal period.
Non-Operating Expenses	<ul style="list-style-type: none"> As for major non-operating expenses, JPR assumes 847 million yen for the 45th fiscal period and 908 million yen for the 46th fiscal period for interest expenses, borrowing expenses, interest expenses on investment corporation bonds and amortization of investment corporation bond issuance costs, etc.
Interest-Bearing Debt and Ratio of Interest-Bearing Debt to Total Assets	<ul style="list-style-type: none"> The ratio of interest-bearing debt to total assets as of February 16, 2024, stands at 39.9%, with interest-bearing debts of 202,400 million yen (comprised of 171,500 million yen in long-term loans payable and 30,900 million yen in investment corporation bonds). It is assumed that 28 billion yen of borrowings will be procured as funds for the acquisition of Nakano Central Park East scheduled for March 1, 2024. It is assumed that all interest-bearing debt for which repayment (redemption) dates will arrive during the 45th and 46th fiscal periods will be refinanced from February 16, 2024, onward. The ratio of interest-bearing debt to total assets is assumed to be 43.0% at the end of the 45th fiscal period and 43.0% at the end of the 46th fiscal period. The following formula is used in calculating the ratio of interest-bearing debt to total assets in this table. $\text{Ratio of interest-bearing debt to total assets} = \frac{\text{Expected total interest-bearing debt}}{\text{Expected total assets}} \times 100$

Item	Assumptions
Total Units Outstanding	<ul style="list-style-type: none"> The total number of investment units issued and outstanding is 997,178 units as of February 16, 2024, and it is assumed that no additional investment units will be issued.
Distribution Per Unit	<ul style="list-style-type: none"> For distribution per unit (DPU), it is assumed that all revenues will be distributed based on the distribution methods provided in the Articles of Incorporation. DPU for the 45th fiscal period ending June 30, 2024, is calculated on the assumption that part of the reserve for reduction entry (99 million yen) will be reversed and distributed. DPU for the 46th fiscal period ending December 31, 2024, is calculated on the assumption that part of the reserve for reduction entry (79 million yen) will be reversed and distributed. There is the possibility that the distribution per unit may vary due to various factors including variation of rental revenues due to acquisition or sale of assets under management and tenant replacement, and unpredicted repairs and maintenance.
Exceeding Profit Distribution Per Unit	<ul style="list-style-type: none"> Distribution of monies exceeding the profit is currently not assumed.
Others	<ul style="list-style-type: none"> It is assumed that there will be no changes in legislation, taxation, accounting standards, regulations applying to publicly listed companies, rules and requirements imposed by the Investment Trusts Association, Japan that will impact the aforementioned forecast. It is also assumed that there will be no unexpected material changes in general economic and real estate market conditions.

2. Financial Statements

(1) Balance Sheets

(Thousands of Yen)

	End of 43rd Fiscal Period (Jun. 30, 2023)	End of 44th Fiscal Period (Dec. 31, 2023)
Assets		
Current assets		
Cash and deposits	¥27,056,051	¥27,775,890
Cash and deposits in trust	12,285,353	12,036,819
Operating accounts receivable	585,133	718,302
Prepaid expenses	126,086	134,389
Consumption taxes receivable	13,604	—
Other	21,670	27,683
Total current assets	40,087,899	40,693,085
Noncurrent assets		
Property, plant and equipment		
Buildings	71,054,645	72,115,994
Accumulated depreciation	(24,692,241)	(25,598,975)
Buildings, net	46,362,404	46,517,018
Buildings in trust	96,131,588	96,995,953
Accumulated depreciation	(38,728,727)	(39,806,726)
Buildings in trust, net	57,402,861	57,189,227
Structures	94,381	95,110
Accumulated depreciation	(41,434)	(43,915)
Structures, net	52,946	51,194
Structures in trust	130,848	134,190
Accumulated depreciation	(82,311)	(84,615)
Structures in trust, net	48,537	49,575
Machinery and equipment	851,609	885,153
Accumulated depreciation	(599,522)	(616,794)
Machinery and equipment, net	252,087	268,358
Machinery and equipment in trust	1,938,100	1,977,455
Accumulated depreciation	(1,504,418)	(1,531,114)
Machinery and equipment in trust, net	433,681	446,340
Tools, furniture and fixtures	243,571	265,851
Accumulated depreciation	(129,699)	(142,234)
Tools, furniture and fixtures, net	113,871	123,617
Tools, furniture and fixtures in trust	311,209	326,128
Accumulated depreciation	(208,610)	(219,578)
Tools, furniture and fixtures in trust, net	102,598	106,550
Land	145,954,517	145,964,796
Land in trust	205,823,796	205,823,796
Construction in progress	14,508	18,768
Construction in progress in trust	3,750	2,899
Total property, plant and equipment	456,565,560	456,562,143
Intangible assets		
Leasehold right	11,801,831	11,801,831
Other	14,817	12,947
Total intangible assets	11,816,648	11,814,778
Investments and other assets		
Investment securities	88,860	88,860
Lease and guarantee deposits	808,280	826,369
Long-term prepaid expenses	528,440	664,508
Other	710	710
Total investments and other assets	1,426,290	1,580,448
Total noncurrent assets	469,808,500	469,957,370
Deferred assets		
Investment corporation bond issuance costs	150,911	136,975
Investment unit issuance expenses	22,371	15,111
Total deferred assets	173,282	152,086
Total assets	¥510,069,681	¥510,802,543

(Thousands of Yen)

	End of 43rd Fiscal Period (Jun. 30, 2023)	End of 44th Fiscal Period (Dec. 31, 2023)
Liabilities		
Current liabilities		
Operating accounts payable	¥2,658,042	¥3,292,699
Short-term loans payable	5,500,000	—
Current portion of investment corporation bonds	5,000,000	8,000,000
Current portion of long-term loans payable	20,000,000	15,000,000
Accounts payable-other	978,420	921,549
Accrued expenses	84,966	89,582
Income taxes payable	605	605
Accrued consumption taxes	182,161	365,825
Advances received	2,808,557	2,839,663
Other	2,138	1,466
Total current liabilities	37,214,891	30,511,391
Noncurrent liabilities		
Investment corporation bonds	30,900,000	27,900,000
Long-term loans payable	144,000,000	154,500,000
Tenant leasehold and security deposits	10,641,493	10,595,861
Tenant leasehold and security deposits in trust	13,338,894	13,542,543
Total noncurrent liabilities	198,880,387	206,538,404
Total liabilities	236,095,279	237,049,796
Net assets		
Unitholders' equity		
Unitholders' capital	261,751,240	261,751,240
Surplus		
Voluntary reserve		
Reserve for reduction entry	4,118,301	4,639,105
Total voluntary reserve	4,118,301	4,639,105
Unappropriated retained earnings (undisposed loss)	8,104,860	7,362,400
Total surplus	12,223,161	12,001,505
Total unitholders' equity	273,974,402	273,752,746
Total net assets	273,974,402	273,752,746
Total liabilities and net assets	¥510,069,681	¥510,802,543

(2) Statements of Income and Retained Earnings

(Thousands of Yen)

	43rd Fiscal Period (Jan. 1, 2023 – Jun. 30, 2023)	44th Fiscal Period (Jul. 1, 2023 – Dec. 31, 2023)
Operating revenue		
Rent revenue-real estate	¥17,291,965	¥17,411,577
Gain on sale of real estate	881,854	—
Total operating revenue	18,173,819	17,411,577
Operating expenses		
Expenses related to rent business	8,310,963	8,315,290
Asset management fee	758,548	709,507
Administrative service and asset custody fees	84,487	85,381
Directors' compensation	6,300	6,300
Trust fees	15,845	15,488
Other operating expenses	138,111	127,893
Total operating expenses	9,314,256	9,259,861
Operating income	8,859,563	8,151,716
Non-operating income		
Interest income	193	190
Income on settlement of management association accounts	34,071	3,930
Insurance income	2,333	5,769
Other	800	3,475
Total non-operating income	37,399	13,365
Non-operating expenses		
Interest expenses	525,041	541,234
Borrowing expenses	50,494	57,576
Interest expenses on investment corporation bonds	197,730	187,303
Amortization of investment corporation bond issuance costs	14,518	13,935
Amortization of investment unit issuance expenses	9,490	7,259
Other	434	269
Total non-operating expenses	797,710	807,579
Ordinary income	8,099,253	7,357,502
Income before income taxes	8,099,253	7,357,502
Income taxes-current	605	605
Total income taxes	605	605
Net income	8,098,648	7,356,897
Retained earnings brought forward	6,212	5,503
Unappropriated retained earnings (undisposed loss)	¥8,104,860	¥7,362,400

(3) Statements of Changes in Unitholders' Equity

(Thousands of Yen)

	43rd Fiscal Period (Jan. 1, 2023 – Jun. 30, 2023)	44th Fiscal Period (Jul. 1, 2023 – Dec. 31, 2023)
Unitholders' equity		
Unitholders' capital		
Balance at beginning of current period	¥261,751,240	¥261,751,240
Changes of items during the period		
Total changes of items during the period	–	–
Balance at end of current period	261,751,240	261,751,240
Surplus		
Voluntary reserve		
Balance at beginning of current period	3,376,470	4,118,301
Changes of items during the period		
Provision of reserve for reduction entry	815,777	520,804
Reversal of reserve for reduction entry	(73,946)	
Total changes of items during the period	741,830	520,804
Balance at end of current period	4,118,301	4,639,105
Unappropriated retained earnings (undisposed loss)		
Balance at beginning of current period	8,476,171	8,104,860
Changes of items during the period		
Provision of reserve for reduction entry	(815,777)	(520,804)
Reversal of reserve for reduction entry	73,946	
Dividends from surplus	(7,728,129)	(7,578,552)
Net income	8,098,648	7,356,897
Total changes of items during the period	(371,311)	(742,460)
Balance at end of current period	8,104,860	7,362,400
Total surplus		
Balance at beginning of current period	11,852,642	12,223,161
Changes of items during the period		
Provision of reserve for reduction entry	–	–
Reversal of reserve for reduction entry	–	
Dividends from surplus	(7,728,129)	(7,578,552)
Net income	8,098,648	7,356,897
Total changes of items during the period	370,518	(221,655)
Balance at end of current period	12,223,161	12,001,505
Total unitholders' equity		
Balance at the beginning of current period	273,603,883	273,974,402
Changes of items during the period		
Provision of reserve for reduction entry	–	–
Reversal of reserve for reduction entry	–	
Dividends from surplus	(7,728,129)	(7,578,552)
Net income	8,098,648	7,356,897
Total changes of items during the period	370,518	(221,655)
Balance at end of current period	273,974,402	273,752,746
Total net assets		
Balance at beginning of current period	273,603,883	273,974,402
Changes of items during the period		
Provision of reserve for reduction entry	–	–
Reversal of reserve for reduction entry	–	
Dividends from surplus	(7,728,129)	(7,578,552)
Net income	8,098,648	7,356,897
Total changes of items during the period	370,518	(221,655)
Balance at end of current period	¥273,974,402	¥273,752,746

(4) Statements of Cash Distributions

	43rd Fiscal Period (Jan. 1, 2023 – Jun. 30, 2023)	44th Fiscal Period (Jul. 1, 2023 – Dec. 31, 2023)
I. Unappropriated retained earnings	8,104,860,437 yen	7,362,400,362 yen
II. Reversal of voluntary reserve		
Reversal of reserve for reduction entry	–	221,010,037 yen
III. Distribution amount	7,578,552,800 yen	7,578,552,800 yen
(Distribution amount per unit)	(7,600 yen)	(7,600 yen)
IV. Voluntary reserve		
Provision of reserve for reduction entry	520,804,313 yen	–
V. Retained earnings carried forward	5,503,324 yen	4,857,599 yen
Method for calculating distribution amount	<p>Pursuant to the policy on cash distributions provided in Article 30 (2) of the Articles of Incorporation of JPR, the distribution amount shall be in excess of an amount equivalent to 90% of the “distributable income amount” as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation, but no more than the amount of earnings. Based on such policy, JPR decided to pay out distributions of earnings of 7,578,552,800 yen, which is the largest integral multiple of the total number of investment units issued and outstanding (997,178 units), from the balance of unappropriated retained earnings after deducting the provision of reserve for reduction entry pursuant to Article 65-7 of the Act on Special Measures Concerning Taxation, while minimizing the burden to unitholders incurred by accrual of corporate income tax, etc. Furthermore, JPR shall not distribute cash in excess of earnings as stipulated in Article 30 (4) of the Articles of Incorporation.</p>	<p>Pursuant to the policy on cash distributions provided in Article 30 (2) of the Articles of Incorporation of JPR, the distribution amount shall be in excess of an amount equivalent to 90% of the “distributable income amount” as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation, but no more than the amount of earnings. Based on such policy, JPR decided to pay out distributions of earnings of 7,578,552,800 yen, which is the largest integral multiple of the total number of investment units issued and outstanding (997,178 units), from the amount of unappropriated retained earnings after adding the reversal of reserve for reduction entry pursuant to Article 65-7 of the Act on Special Measures Concerning Taxation, while minimizing the burden to unitholders incurred by accrual of corporate income tax, etc. Furthermore, JPR shall not distribute cash in excess of earnings as stipulated in Article 30 (4) of the Articles of Incorporation.</p>

(5) Statements of Cash Flows

(Thousands of Yen)

	43rd Fiscal Period (Jan. 1, 2023 – Jun. 30, 2023)	44th Fiscal Period (Jul. 1, 2023 – Dec. 31, 2023)
Cash flows from operating activities		
Income before income taxes	¥8,099,253	¥7,357,502
Depreciation and amortization	2,046,014	2,058,858
Amortization of investment corporation bond issuance costs	14,518	13,935
Amortization of investment unit issuance expenses	9,490	7,259
Interest income	(193)	(190)
Interest expenses	722,772	728,538
Decrease (increase) in operating accounts receivable	(1,643)	(133,169)
Decrease (increase) in consumption taxes receivable	(13,604)	13,604
Decrease (increase) in prepaid expenses	6,274	(8,303)
Increase (decrease) in operating accounts payable	102,426	(33,261)
Increase (decrease) in accounts payable-other	(104,943)	(56,739)
Increase (decrease) in accrued consumption taxes	(316,877)	183,664
Increase (decrease) in advances received	(12,500)	31,106
Decrease in property, plant and equipment in trust due to sale	3,265,600	—
Other, net	(31,163)	(149,798)
Subtotal	13,785,422	10,013,007
Interest income received	193	190
Interest expenses paid	(728,366)	(723,922)
Income taxes (paid) refund	(607)	(604)
Net cash provided by (used in) operating activities	13,056,642	9,288,670
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,968,920)	(681,284)
Purchase of property, plant and equipment in trust	(7,399,017)	(704,368)
Purchase of intangible assets	(13,909)	—
Payments of lease and guarantee deposits	(5,790)	(18,089)
Repayments of tenant leasehold and security deposits	(169,936)	(217,838)
Proceeds from tenant leasehold and security deposits	625,641	178,421
Repayments of tenant leasehold and security deposits in trust	(636,540)	(145,181)
Proceeds from tenant leasehold and security deposits in trust	573,633	348,830
Net cash provided by (used in) investing activities	(13,994,840)	(1,239,510)
Cash flows from financing activities		
Proceeds from short-term loans payable	5,500,000	—
Repayment of short-term loans payable		(5,500,000)
Proceeds from long-term loans payable	7,000,000	18,500,000
Repayment of long-term loans payable	(8,000,000)	(13,000,000)
Redemption of investment corporation bonds	(2,000,000)	—
Dividends paid	(7,726,854)	(7,577,854)
Net cash provided by (used in) financing activities	(5,226,854)	(7,577,854)
Net changes in cash and cash equivalents	(6,165,052)	471,304
Cash and cash equivalents at beginning of current period	45,506,457	39,341,405
Cash and cash equivalents at end of current period	¥39,341,405	¥39,812,709

(6) Notes to the Going Concern Assumption

No relevant items.

(7) Notes to Significant Accounting Policies

The disclosure is omitted as there are no significant changes from the descriptions in the latest securities report (submitted on September 26, 2023).

(8) Notes to Financial Statements

Notes to Balance Sheets

1. Reduction Entry of Property, Plant and Equipment Acquired through Exchange

	(Thousands of yen)	
	End of 43rd Fiscal Period	End of 44th Fiscal Period
	(as of June 30, 2023)	(as of December 31, 2023)
Land	¥1,537,018	¥1,537,018
Total	¥1,537,018	¥1,537,018

2. Balance of Unused Commitment Line

JPR has executed a commitment line agreement with its principal banks primarily to minimize refinancing risks and enhance financial stability.

	(Thousands of yen)	
	End of 43rd Fiscal Period	End of 44th Fiscal Period
	(as of June 30, 2023)	(as of December 31, 2023)
Credit limit	¥24,000,000	¥24,000,000
Outstanding debts at end of period	-	-
Unused commitment line at end of period	¥24,000,000	¥24,000,000

3. Minimum Total Unitholders' Equity Designated in Article 67-4 in the Act on Investment Trusts and Investment Corporations

	(Thousands of yen)	
	End of 43rd Fiscal Period	End of 44th Fiscal Period
	(as of June 30, 2023)	(as of December 31, 2023)
	¥50,000	¥50,000

Notes to Statements of Income and Retained Earnings

1. Breakdown of Rent Revenue-Real Estate and Expenses Related to Rent Business

	(Thousands of yen)	
	43rd Fiscal Period (January 1, 2023 – June 30, 2023)	44th Fiscal Period (July 1, 2023 – December 31, 2023)
A. Rent Revenue-Real Estate		
Rent Revenue		
Rents	¥12,680,008	¥12,770,417
Land rents	1,801,750	1,801,499
Common charges	1,268,237	1,249,752
Parking fees	284,154	279,989
Advertising fees	38,289	38,108
Antenna usage fees	28,625	29,418
Other	45,221	47,210
Subtotal	16,146,287	16,216,396
Other rental revenues		
Incidental rent income	1,001,894	988,962
Time-based parking fees	14,588	15,262
Cancellation charges	17,496	10,311
Income equivalent to expenses for restoration to original condition	59,489	128,555
Other miscellaneous income	52,209	52,089
Subtotal	1,145,678	1,195,181
Total rent revenue-real estate	17,291,965	17,411,577
B. Expenses Related to Rent Business		
Outsourcing expenses	¥707,113	¥711,594
Utilities expenses	1,285,235	1,150,651
Property and other taxes	2,594,259	2,581,530
Casualty insurance	29,754	30,571
Repairs and maintenance	433,688	578,966
Property management fees	312,682	315,248
Management association accounts	637,968	640,700
Depreciation	2,044,640	2,057,035
Other	265,620	248,990
Total expenses related to rent business	8,310,963	8,315,290
C. Profits for Rent Business (A-B)	8,981,002	9,096,287

2. Breakdown of Gain on Sale of Real Estate

43rd fiscal period (January 1, 2023 – June 30, 2023)	(Thousands of yen)
JPR Crest Takebashi Bldg.	
Proceeds from sale of real estate	¥4,169,000
Cost of sale of real estate	3,265,600
Other expenses related to sale	21,545
Gain on sale of real estate	881,854

44th fiscal period (July 1, 2023 – December 31, 2023)

No relevant items.

Notes to Statements of Changes in Unitholders' Equity

	43rd Fiscal Period (January 1, 2023 – June 30, 2023)	44th Fiscal Period (July 1, 2023 – December 31, 2023)
Total number of authorized units and number of units outstanding		
Total number of authorized units	5,000,000 units	5,000,000 units
Number of units outstanding	997,178 units	997,178 units

Financial Instruments

1. Matters Concerning Status of Financial Instruments

(1) Policy for Financial Instruments

In an aim to proactively expand asset size and maintain stable cash distributions to unitholders, JPR adopts the asset management policy of paying heed to efficiently combining the procurement of long-term funds that are stable and the procurement of short-term funds that emphasize flexibility.

There may be cases where JPR will engage in derivative transactions, but such will be limited to hedging for interest rate fluctuation risk and other hedging purposes. Please note that JPR is not engaged in derivative transactions at present.

(2) Description of Financial Instruments and Associated Risks, and Risk Management Structure

Tokyo Realty Investment Management, Inc. (TRIM), the asset management company of JPR, strives for risk management by complying with the JPR Asset Management Guidelines and other rules and regulations. The following outlines the description of individual financial instruments and the associated risks, and the risk management.

Deposits are exposed to risks of bankruptcy of the financial institutions holding the deposits and other credit risks, but the risks are managed through such measures as setting a minimum credit rating for the financial institutions holding the deposits.

Loans payable and investment corporation bonds are exposed to liquidity risks at the time of repayment/redemption, but the liquidity risks are managed through such measures as procuring funds from the capital market by increasing capital, executing a commitment line agreement with the main lending financial institutions, and also having statements of cash receipts and disbursements prepared by the financial division.

(3) Supplementary Explanation on Matters Concerning Fair Value, etc. of Financial Instruments

Certain assumptions are used in calculating the fair value of financial instruments, and there can be cases where the values may vary based on different assumptions, etc.

2. Matters Concerning Fair Value, etc. of Financial Instruments

The following are the carrying values and fair values as of June 30, 2023, of financial instruments, and the difference between these amounts. Furthermore, notes on “Cash and deposits,” “Cash and deposits in trust” and “Short-term loans payable” are omitted as these are settled with cash and within a short period of time and thus the book value approximates the fair value. Notes on “Investment securities,” “Tenant leasehold and security deposits” and “Tenant leasehold and security deposits in trust” are also omitted as they lack materiality.

	(Thousands of yen)		
	Carrying Value (Note 1)	Fair Value (Note 1)	Difference
(1) Current portion of investment corporation bonds	(¥5,000,000)	(¥5,051,181)	¥51,181
(2) Current portion of long-term loans payable	(20,000,000)	(20,045,897)	45,897
(3) Investment corporation bonds	(30,900,000)	(30,832,853)	-67,146
(4) Long-term loans payable	(¥144,000,000)	(¥144,141,089)	¥141,089

The following are the carrying values and fair values as of December 31, 2023, of financial instruments, and the difference between these amounts. Furthermore, notes on “Cash and deposits,” “Cash and deposits in trust” and “Short-term loans payable” are omitted as these are settled with cash and within a short period of time and thus the book value approximates the fair value. Notes on “Investment securities,” “Tenant leasehold and security deposits” and “Tenant leasehold and security deposits in trust” are also omitted as they lack materiality.

	(Thousands of yen)		
	Carrying Value (Note 1)	Fair Value (Note 1)	Difference
(1) Current portion of investment corporation bonds	(¥8,000,000)	(¥8,043,907)	¥43,907
(2) Current portion of long-term loans payable	(15,000,000)	(15,039,926)	39,926
(3) Investment corporation bonds	(27,900,000)	(27,513,692)	-386,307
(4) Long-term loans payable	(¥154,500,000)	(¥153,099,478)	-¥1,400,521

(Note 1) Liabilities are shown in parentheses.

(Note 2) Method of calculation of fair value of financial instruments

(1) Current portion of investment corporation bonds and (3) Investment corporation bonds

Of the fair value of these financial instruments, those with market price are calculated based on market price and those with no market price are calculated in accordance with (2) and (4) below.

(2) Current portion of long-term loans payable and (4) Long-term loans payable

The fair value of these financial instruments is calculated based on the discounted cash flow method under which the total amount of principal and interests are discounted by the rate assumed as being applicable in the event of a new drawdown whose term is corresponding to the remaining loan term.

(Note 3) Amount of repayment of long-term loans payable or redemption of investment corporation bonds scheduled to be due subsequent to June 30, 2023, and December 31, 2023.

End of 43rd Fiscal Period (as of June 30, 2023)

	(Thousands of yen)					
	Due in One Year or Less	Due after One Year through Two Years	Due after Two Years through Three Years	Due after Three Years through Four Years	Due after Four Years through Five Years	Due after Five Years
Investment corporation bonds	¥5,000,000	¥3,000,000	¥-	¥8,500,000	¥3,000,000	¥16,400,000
Long-term loans payable	¥20,000,000	¥21,000,000	¥20,900,000	¥15,000,000	¥20,200,000	¥66,900,000

End of 44th Fiscal Period (as of December 31, 2023)

	(Thousands of yen)					
	Due in One Year or Less	Due after One Year through Two Years	Due after Two Years through Three Years	Due after Three Years through Four Years	Due after Four Years through Five Years	Due after Five Years
Investment corporation bonds	¥8,000,000	¥-	¥8,500,000	¥-	¥3,000,000	¥16,400,000
Long-term loans payable	¥15,000,000	¥23,900,000	¥14,000,000	¥21,000,000	¥23,200,000	¥72,400,000

Investment and Rental Properties

JPR owns office properties (urban commercial facilities), retail properties (urban retail properties) and urban multi-use properties for leasing in Tokyo and other regions. The following is the carrying value on the Balance Sheets, amount of increase (decrease) during the period and fair value of these investment and rental properties.

	(Thousands of yen)	
	43rd Fiscal Period (January 1, 2023 – June 30, 2023)	44th Fiscal Period (July 1, 2023 – December 31, 2023)
Carrying Value on the Balance Sheets		
Balance at Beginning of Period	¥459,781,704	¥468,367,893
Amount of Increase (Decrease) during the Period	¥8,586,188	-¥3,463
Balance at End of Current Period	¥468,367,893	¥468,364,429
Fair Value at End of Period	¥592,098,000	¥596,266,000

(Note 1) The carrying value on the Balance Sheets is the cost of acquisition less accumulated depreciation.

(Note 2) For the 43rd fiscal period, the amount of increase is primarily attributable to the acquisition of JPR Dojima West (2,510,474 thousand yen), the acquisition of FUNDES Tenjin Nishidori (3,355,432 thousand yen) and the acquisition of Ochanomizu Sola City (6,538,208 thousand yen), and the amount of decrease is primarily attributable to the sale of JPR Crest Takebashi Bldg. (3,265,600 thousand yen) and depreciation (2,044,640 thousand yen). For the 44th fiscal period, the amount of decrease is primarily attributable to depreciation (2,057,035 thousand yen).

(Note 3) The fair value at end of the current period is the appraisal value or survey value as appraised by an outside real estate appraiser.

The income (loss) in the 43rd and 44th fiscal periods for investment and rental properties are as presented in the “Notes to Statements of Income and Retained Earnings.”

Revenue Recognition

43rd fiscal period (January 1, 2023 – June 30, 2023)

Breakdown information on revenue from contracts with customers

(Thousands of yen)

	Revenue from Contracts with Customers (Note 1)	Sales to External Customers (Note 2)
Sale of real estate	¥4,169,000	¥881,854
Utilities income (Note 3)	1,001,894	1,001,894
Others	—	16,290,071
Total	5,170,894	18,173,819

(Note 1) Rent revenue subject to the “Accounting Standard for Lease Transactions” (ASBJ Statement No.13) are excluded from “Revenue from contracts with customers” as such revenue is not subject to Accounting Standard for Revenue Recognition. Revenue from contracts with customers mainly represents proceeds from sale of real estate and utilities income.

(Note 2) As sale of real estate is recorded as gain or loss on sale of real estate, etc. in the Statements of Income and Retained Earnings, the amount obtained by deducting cost of sale of real estate and other expenses related to sale from proceeds from sale of real estate is indicated for sales to external customers. Furthermore, as JPR records gain on sale of real estate for operating revenue while recording loss on sale of real estate for operating expenses, the table above indicates the amount of gain on sale of real estate only.

(Note 3) Utilities income indicates the amount recorded as revenue in accordance with the supply of electricity and water, etc. to the lessee who is a customer based on the lease agreement of real estate and details of agreements incidental to it.

44th fiscal period (July 1, 2023 – December 31, 2023)

Breakdown information on revenue from contracts with customers

(Thousands of yen)

	Revenue from Contracts with Customers (Note 1)	Sales to External Customers (Note 2)
Sale of real estate	¥—	¥—
Utilities income (Note 3)	988,962	988,962
Others	—	16,422,615
Total	988,962	17,411,577

(Note 1) Rent revenue subject to the “Accounting Standard for Lease Transactions” (ASBJ Statement No.13) are excluded from “Revenue from contracts with customers” as such revenue is not subject to Accounting Standard for Revenue Recognition. Revenue from contracts with customers mainly represents proceeds from sale of real estate and utilities income.

(Note 2) As sale of real estate is recorded as gain or loss on sale of real estate, etc. in the Statements of Income and Retained Earnings, the amount obtained by deducting cost of sale of real estate and other expenses related to sale from proceeds from sale of real estate is indicated for sales to external customers. Furthermore, as JPR records gain on sale of real estate for operating revenue while recording loss on sale of real estate for operating expenses, the table above indicates the amount of gain on sale of real estate only.

(Note 3) Utilities income indicates the amount recorded as revenue in accordance with the supply of electricity and water, etc. to the lessee who is a customer based on the lease agreement of real estate and details of agreements incidental to it.

Per Unit Information

(Yen)

	43rd Fiscal Period (January 1, 2023 – June 30, 2023)	44th Fiscal Period (July 1, 2023 – December 31, 2023)
Total net assets per unit	¥274,749	¥274,527
Net income per unit	¥8,121	¥7,377

(Note 1) Net income per unit is calculated by dividing net income by the weighted-average number of units outstanding during the fiscal period. Diluted net income per unit has not been presented since no subscription rights to shares are outstanding.

(Note 2) Net income per unit was calculated based on the following data:

(Thousands of yen)

	43rd Fiscal Period (January 1, 2023 – June 30, 2023)	44th Fiscal Period (July 1, 2023 – December 31, 2023)
Net income	¥8,098,648	¥7,356,897
Amounts not attributable to ordinary unitholders	—	—
Net income attributable to ordinary investment units	¥8,098,648	¥7,356,897
Average number of units during the fiscal period	997,178 units	997,178 units

Subsequent Events

There are no material subsequent events for the 44th fiscal period.

Omission of Disclosure

JPR omits the disclosure of notes to Statements of Cash Flows, lease transactions, securities, derivative transactions, transactions with affiliated parties, tax effect accounting, retirement benefits, asset retirement obligations and segment information, etc. as it does not find substantial need for disclosure in the Financial Report for Fiscal Period Results.

(9) Changes in Investment Units Issued and Outstanding

There was no change in the number of units outstanding and unitholders' capital in the 44th fiscal period. The changes in the number of units outstanding and unitholders' capital in the last five years are summarized as follows.

Date	Event	Number of Units Outstanding		Unitholders' Capital (million yen)		Remarks
		Variation	Balance	Variation	Balance	
March 3, 2020	Additional public offering	35,250	958,250	16,207	247,860	(Note 1)
January 18, 2022	Additional public offering	38,100	996,350	13,594	261,455	(Note 2)
February 16, 2022	Third-party allotment	828	997,178	295	261,751	(Note 3)

(Note 1) New investment units were issued through a public offering at 474,810 yen per unit (underwriting price of 459,790 yen per unit) to fund acquisition of new specified assets and partly repay debt.

(Note 2) New investment units were issued through a public offering at 368,480 yen per unit (underwriting price of 356,824 yen per unit) to fund acquisition of new specified assets and partly repay debt.

(Note 3) New investment units were issued through a third-party allotment at 356,824 yen per unit to partly repay debt.

3. Reference Information

(1) JPR's Asset Structure

Asset Type	Category of Investment Area	43rd Fiscal Period (as of June 30, 2023)		44th Fiscal Period (as of December 31, 2023)	
		Assets Owned by JPR (thousands of yen)	Percentage of Total Assets (%)	Assets Owned by JPR (thousands of yen)	Percentage of Total Assets (%)
Real Estate	Central Tokyo	111,765,234	21.9	111,749,209	21.9
	Greater Tokyo	67,088,046	13.2	67,256,482	13.2
	Other Cities	25,699,043	5.0	25,740,031	5.0
Real Estate in Trust	Central Tokyo	155,480,973	30.5	155,405,135	30.4
	Greater Tokyo	60,994,630	12.0	60,918,449	11.9
	Other Cities	47,339,964	9.3	47,295,120	9.3
Deposits and Other Assets	–	41,701,788 (–)	8.2 (–)	42,438,113 (–)	8.3 (–)
Total Assets	–	510,069,681 (468,367,893)	100.0 (91.8)	510,802,543 (468,364,429)	100.0 (91.7)

(Note 1) Total assets owned are based on the amounts appropriated on the balance sheets as of the settlement date (book values after depreciation for real estate and real estate in trust).

(Note 2) Figures in parenthesis are portions that practically fall on real estate owned in the object assets.

(Note 3) As for the category of investment area, please refer to (2) Investment Assets 1) Overview of Investment Assets below.

(2) Investment Assets

1) Overview of Investment Assets

The overview of the real estate and real estate in trust regarding trust beneficiary interests in real estate in which JPR invests are as follows. All of the real estate and trust beneficiary interests in real estate are shown in the table below.

Descriptions in the table below are based on the following policies.

- The table below indicates the properties JPR owned as of the end of the 44th fiscal period.
- JPR defines the categories of investment areas as designated below.

Category	Investment Area
Central Tokyo	Chiyoda, Chuo, Minato, Shinjuku, Shinagawa and Shibuya Wards
Greater Tokyo	All other areas of Tokyo, Chiba, Kanagawa and Saitama Prefectures
Other Cities	All other areas in Japan

- “Location,” “Site Area,” “Total Floor Space,” “Structure/Floors” and “Completed” are based on data recorded in the real estate registry.
- “Site Area” and “Total Floor Space” indicate the areas of the entire building sites and the entire buildings, respectively, including the portions owned by other sectional owners, etc. except for the following properties:

MS Shibaura Bldg.: The site area includes land of the Trinity Shibaura, which was developed together with the property.

Shinjuku Square Tower: The site area and the total floor space are for the entire redevelopment area.

Otemachi Financial City North Tower: The site area and the total floor space include South Tower.

Rise Arena Bldg.: The site area is for the entire redevelopment area including the residential building, and the total floor space includes the space of the residential building.

Olinas Tower: The site area and the total floor space are for the entire property including the retail and residential buildings.

Sencity Bldg.: The site area and the total floor space are for the entire redevelopment area.

Cupo-la Main Bldg.: The site area is for the entire redevelopment area.

- The abbreviations in the “Structure/Floors” represent the following phrases, respectively.

S: Steel-framed, RC: Reinforced concrete, SRC: Steel-framed reinforced concrete

Area	Type	Property Name	Location	Site Area (m ²)	Total Floor Space (m ²)	Structure/ Floors	Completed
Central Tokyo	Office	Kanematsu Bldg.	Kyobashi 2-chome, Chuo-ku, Tokyo	1,751.13	14,995.09	S, RC, SRC B2/13F	Feb. 1993
		Kanematsu Bldg. Annex	Kyobashi 2-chome, Chuo-ku, Tokyo	679.06	4,351.46	SRC B1/8F	Feb. 1993
		JPR Ningyo-cho Bldg.	Nihonbashi Ningyocho 1-chome, Chuo-ku, Tokyo	550.06	4,117.70	SRC, RC B1/8F	Dec. 1989
		Shin-Kojimachi Bldg.	Kojimachi 4-chome, Chiyoda-ku, Tokyo	657.80	5,152.98	SRC B1/9F	Oct. 1984
		MS Shibaura Bldg.	Shibaura 4-chome Minato-ku, Tokyo	8,992.18	31,020.21	SRC, RC, S B2/13F	Feb. 1988
		JPR Ichigaya Bldg.	Kudan-Minami 4-chome, Chiyoda-ku, Tokyo	1,058.04	5,888.82	SRC B1/9F	Mar. 1989
		Oval Court Osaki Mark West	Higashi-Gotanda 2-chome, Shinagawa-ku, Tokyo	4,006.00	28,575.80	S, SRC B2/17F	Jun. 2001
		Shinjuku Square Tower	Nishi-Shinjuku 6-chome, Shinjuku-ku, Tokyo	8,409.52	78,796.00	S, RC, SRC B4/30F	Oct. 1994
		BYGS Shinjuku Bldg.	Shinjuku 2-chome, Shinjuku-ku, Tokyo	3,522.46	25,733.10	SRC B2/14F	Apr. 1985
		Across Shinkawa Bldg. Annex	Shinkawa 1-chome, Chuo-ku, Tokyo	858.48	5,535.90	S, SRC B2/10F	Jun. 1994
		Shinjuku Center Bldg.	Nishi-Shinjuku 1-chome, Shinjuku-ku, Tokyo	14,917.11	176,607.89	SRC, RC, S B5/54F	Oct. 1979
		Minami Azabu Bldg.	Minami-Azabu 2-chome, Minato-ku, Tokyo	778.09	4,570.63	S 9F	Jun. 1992
		Shinagawa Canal Bldg.	Konan 2-chome, Minato-ku, Tokyo	828.82	5,216.21	S B1/8F	Jul. 2008
		Rokubancho Bldg.	Rokubancho, Chiyoda-ku, Tokyo	716.95	4,205.09	SRC B3/7F	Oct. 1991
		JPR Harajuku Bldg.	Jingumae 6-chome, Shibuya-ku, Tokyo	1,205.07	6,466.94	SRC B1/9F	Mar. 1989
		JPR Nihonbashi-horidome Bldg.	Nihonbashi-Horidomecho 1-chome, Chuo-ku, Tokyo	937.59	7,190.82	S, RC B1/9F	Jun. 2002
		JPR Sendagaya Bldg.	Sendagaya 4-chome, Shibuya-ku, Tokyo	2,185.22	7,683.19	S 8F	May 2009
		Ginza Sanwa Bldg.	Ginza 4-chome, Chuo-ku, Tokyo	1,119.27	8,851.00	SRC B2/9F	Oct. 1982
		Otemachi Tower (Land with Leasehold Interest)	Otemachi 1-chome, Chiyoda-ku, Tokyo	11,034.78	-	-	-
		Science Plaza-Yonbancho Plaza	Yonbancho, Chiyoda-ku, Tokyo	5,289.01	24,560.36	S, SRC, RC B2/12F	Feb. 1995
		Shibadaimon Center Bldg.	Shibadaimon 1-chome, Minato-ku, Tokyo	1,915.50	11,419.93	S, SRC B1/10F	Jul. 1993
		Tokyo Square Garden	Kyobashi 3-chome, Chuo-ku, Tokyo	8,124.72	112,645.83	S, SRC B4/24F	Feb. 2013
		JPR Kojimachi Bldg.	Kojimachi 5-chome, Chiyoda-ku, Tokyo	643.13	4,438.46	S B1/9F	Feb. 1999
		Otemachi Financial City North Tower	Otemachi 1-chome, Chiyoda-ku, Tokyo	15,838.93	239,769.07	S, SRC B4/35F	Oct. 2012
	Tokyo Tatemono Higashi Shibuya Bldg.	Higashi 1-chome, Shibuya-ku, Tokyo	2,643.15	15,662.20	S, RC, SRC B3/14F	May 1993	
	Ochanomizu Sola City	Kanda-Surugadai 4-chome, Chiyoda-ku, Tokyo	9,681.02	96,897.25	S B2/23F	Feb. 2013	
	Retail, etc.	JPR Shibuya Tower Records Bldg.	Jinnan 1-chome, Shibuya-ku, Tokyo	1,010.47	8,449.56	SRC, S B3/8F	Feb. 1992
		JPR Jingumae 432	Jingumae 4-chome, Shibuya-ku, Tokyo	198.10	1,066.81	S, SRC B1/7F	Feb. 2006
		Shinjuku Sanchome East Bldg.	Shinjuku 3-chome, Shinjuku-ku, Tokyo	2,578.69	24,617.65	S, SRC, RC B3/14F	Jan. 2007
		Yurakucho Ekimae Bldg. (Yurakucho Itocia)	Yurakucho 2-chome, Chiyoda-ku, Tokyo	6,808.12	71,957.65	S, SRC B4/20F	Oct. 2007
		JPR Ginza Namiki-dori Bldg.	Ginza 5-chome, Chuo-ku, Tokyo	230.11	1,821.67	S 11F	Jun. 2008
		FUNDES Suidobashi	Kanda Misakicho 2-chome, Chiyoda-ku, Tokyo	281.59	1,477.91	S 9F	Jul. 2015

Area	Type	Property Name	Location	Site Area (m ²)	Total Floor Space (m ²)	Structure/ Floors	Completed
Greater Tokyo	Office	Arca East	Kinshi 3-chome, Sumida-ku, Tokyo	3,755.01	34,281.86	S, SRC B3/19F	Mar. 1997
		JPR Chiba Bldg.	Shinmachi, Chuo-ku, Chiba, Chiba	1,382.35	9,072.57	S, SRC B1/13F	Jan. 1991
		JPR Yokohama Nihon Odori Bldg.	Nihon-Odori, Naka-ku, Yokohama, Kanagawa	1,100.59	9,146.52	SRC B1/11F	Oct. 1989
		Shinyokohama 2nd Center Bldg.	Shinyokohama 3-chome, Kohoku-ku, Yokohama, Kanagawa	841.71	7,781.93	S, SRC B2/12F	Aug. 1991
		Kawaguchi Center Bldg.	Honcho 4-chome, Kawaguchi, Saitama	4,524.61	28,420.85	S, SRC B2/15F	Feb. 1994
		JPR Ueno East Bldg.	Matsugaya 1-chome, Taito-ku, Tokyo	1,242.97	8,490.44	S, SRC B1/8F	Oct. 1992
		Tachikawa Business Center Bldg.	Akebonocho 2-chome, Tachikawa, Tokyo	2,047.22	14,706.36	S, SRC B1/12F	Dec. 1994
		Rise Arena Bldg.	Higashi-Ikebukuro 4-chome, Toshima-ku, Tokyo	9,377.28	91,280.94	RC, SRC, S B3/42F	Jan. 2007
		Yume-ooka Office Tower	Kamiooka Nishi 1-chome, Konan-ku, Yokohama, Kanagawa	12,011.00	185,974.87	S, SRC, RC B3/27F	Mar. 1997
		Olinas Tower	Taihei 4-chome, Sumida-ku, Tokyo	27,335.29	257,842.41	SRC, RC, S B2/45F	Feb. 2006
		JPR Yokohama Bldg.	Kitasaiwai 1-chome, Nishi-ku, Yokohama, Kanagawa	1,110.28	8,772.51	SRC B1/9F	May 1981
		JPR Omiya Bldg.	Shimocho 2-chome, Omiya-ku, Saitama, Saitama	2,268.09	9,203.98	S 9F	Feb. 2009
		Sencity Bldg.	Shinmachi, Chuo-ku, Chiba, Chiba	20,054.15	158,663.55	S, SRC B2/23F	Apr. 1993 Aug. 1998 Expanded
	Retail, etc.	Tanashi ASTA	Tanashicho 2-chome, Nishitokyo, Tokyo	12,326.30	80,675.27	SRC B2/17F	Feb. 1995
		Cupo-la Main Bldg.	Kawaguchi 1-chome, Kawaguchi, Saitama	15,008.28	48,321.96	S, RC, SRC B2/10F	Jan. 2006
		JPR Musashikosugi Bldg.	Kosugimachi 3-chome, Nakahara-ku, Kawasaki, Kanagawa	4,757.09	18,394.32	SRC, RC, S B1/6F	Mar. 1983
		Musashiurawa Shopping Square	Bessho 7-chome, Minami-ku, Saitama, Saitama	8,317.99	28,930.36	S B1/4F	Oct. 2005
Kawasaki Dice Bldg.		Ekimae-Honcho, Kawasaki-ku, Kawasaki, Kanagawa	4,475.45	36,902.01	S, SRC, RC B2/11F	Aug. 2003	
FUNDES Ueno		Ueno 7-chome, Taito-ku, Tokyo	383.74	2,235.60	S B1/10F	Jul. 2017	
Other Cities	Office	Niigata Ekinan Center Bldg.	Yoneyama 1-chome, Chuo-ku, Niigata, Niigata	2,706.99	19,950.42	S, SRC B1/10F	Mar. 1996
		JPR Naha Bldg.	Matsuyama 1-chome, Naha, Okinawa	960.03	5,780.71	SRC, S 12F	Oct. 1991
		Sompo Japan Sendai Bldg.	Tsutsujigaoka 3-chome, Miyagino-ku, Sendai, Miyagi	1,895.67	10,783.52	SRC B1/12F	Dec. 1997
		Sompo Japan Wakayama Bldg.	Misonocho 3-chome, Wakayama, Wakayama	1,128.45	6,715.07	S 9F	Jul. 1996
		Tenjin 121 Bldg.	Tenjin 1-chome, Chuo-ku, Fukuoka, Fukuoka	1,164.39	8,690.95	S, SRC 13F	Jul. 2000
		JPR Dojima Bldg.	Sonezaki-Shinchi 2-chome, Kita-ku, Osaka, Osaka	668.11	5,696.01	SRC B2/9F	Oct. 1993
		JPR Nagoya Fushimi Bldg.	Sakae 1-chome, Naka-ku, Nagoya, Aichi	1,610.38	10,201.44	SRC B1/9F	Mar. 1991
		Yakuin Business Garden	Yakuin 1-chome, Chuo-ku, Fukuoka, Fukuoka	4,486.44	22,286.35	SRC 14F	Jan. 2009
		JPR Shinsaibashi Bldg.	Minamisemba 4-chome, Chuo-ku, Osaka, Osaka	609.31	5,303.98	S B2/10F	Feb. 2003 Jan. 2005 Expanded
		JPR Shinsaibashi West	Minamisemba 4-chome, Chuo-ku, Osaka, Osaka	1,405.74	7,738.47	SRC B1/8F	Sep. 1986 Feb. 2007 Expanded
		GRAND FRONT OSAKA (Umekita Plaza and South Building)	Ofuka-cho, Kita-ku, Osaka, Osaka	20,488.08	191,597.49	RC, S B2/2F (Umekita Plaza) S, SRC B3/38F (South Building)	Feb. 2013 (Umekita Plaza) Mar. 2013 (South Building)
	GRAND FRONT OSAKA (North Building)	Ofuka-cho, Kita-ku, Osaka, Osaka	22,680.03	290,030.59	S, SRC B3/38F	Feb. 2013	
	JPR Dojima West (Note)	Dojima 2-chome, Kita-ku, Osaka, Osaka	938.01	4,977.52	S, RC B1/7F	Jul. 1996	
	Retail, etc.	Housing Design Center Kobe	Higashi-Kawasakicho 1-chome, Chuo-ku, Kobe, Hyogo	3,994.47	33,877.71	SRC, S B2/11F	Jun. 1994
JPR Chayamachi Bldg.		Chayamachi, Kita-ku, Osaka, Osaka	592.45	3,219.36	S, SRC 9F	Jun. 1994	
FUNDES Tenjin Nishidori		Tenjin 2-chome, Chuo-ku, Fukuoka, Fukuoka	219.26	1,135.67	S 8F	Mar. 2022	

(Note) The name of Osaka Dojima Bldg. was changed to JPR Dojima West as of January 1, 2024.

2) Price and Investment Ratio

- “Acquisition Price” is the deal price (rounded down to the nearest million yen) described in the real estate transaction contracts or trust beneficiary interest transfer contracts, and does not include expenses related to acquisitions of the relevant properties and consumption taxes.
Furthermore, the total amount is also rounded down to the nearest million yen after summing up respective acquisition prices including fractions.
- For “Appraisal Value at End of Period,” JPR adopts the assessed value in the real estate appraisal reports or the survey value in the real estate price survey reports, prepared by the real estate appraisers indicated below, based on the asset evaluation method designated by JPR and the rules of The Investment Trusts Association, Japan. The adopted appraisal value has been rounded down to the nearest million yen.

Japan Real Estate Institute	JPR Ningyo-cho Bldg., Shin-Kojimachi Bldg., MS Shibaura Bldg., Shinjuku Center Bldg., Minami Azabu Bldg., Shinagawa Canal Bldg., Rokubancho Bldg., Science Plaza- Yonbancho Plaza, Shibadaimon Center Bldg., JPR Kojimachi Bldg., Otemachi Financial City North Tower, JPR Shibuya Tower Records Bldg., Shinjuku Sanchome East Bldg., Yurakucho Ekimae Bldg. (Yurakucho Itocia), FUNDES Suidobashi, Arca East, Shinyokohama 2nd Center Bldg., Kawaguchi Center Bldg., JPR Ueno East Bldg., Tachikawa Business Center Bldg., Yume-ooka Office Tower, Olinas Tower, JPR Yokohama Bldg., JPR Omiya Bldg., Sencity Bldg., Cupo-la Main Bldg., FUNDES Ueno, Sompo Japan Sendai Bldg., Sompo Japan Wakayama Bldg., Tenjin 121 Bldg., JPR Dojima Bldg., Yakuin Business Garden, JPR Shinsaibashi West, FUNDES Tenjin Nishidori
Tanizawa Sogo Appraisal Co., Ltd.	Tokyo Tatemono Higashi Shibuya Bldg., JPR Jingumae 432, Kawasaki Dice Bldg., Niigata Ekinan Center Bldg., JPR Naha Bldg.
CBRE KK	Rise Arena Bldg., JPR Nagoya Fushimi Bldg., JPR Shinsaibashi Bldg., Housing Design Center Kobe, JPR Chayamachi Bldg.
Daiwa Real Estate Appraisal Co., Ltd.	Kanematsu Bldg., Kanematsu Bldg. Annex, JPR Ichigaya Bldg., Oval Court Ohsaki Mark West, BYGS Shinjuku Bldg., Across Shinkawa Bldg. Annex, Otemachi Tower (Land with Leasehold Interest), Tokyo Square Garden, JPR Chiba Bldg., JPR Yokohama Nihon Odori Bldg., Tanashi ASTA
Japan Valuers Co., Ltd.	Shinjuku Square Tower, JPR Harajuku Bldg., JPR Nihonbashi-horidome Bldg., JPR Sendagaya Bldg., Ginza Sanwa Bldg., JPR Ginza Namiki-dori Bldg., JPR Musashikosugi Bldg., Musashiurawa Shopping Square, JPR Dojima West
JLL Morii Valuation & Advisory K.K.	Ochanomizu Sola City, GRAND FRONT OSAKA (Umekita Plaza and South Building), GRAND FRONT OSAKA (North Building)

- The “Investment Ratio” in terms of the “Acquisition Price” and the “Appraisal Value at End of Period” represents the ratio of the Acquisition Price and the Appraisal Value at End of Period of respective properties, including fractions not indicated herein, to the total amounts of the Acquisition Price or the Appraisal Value at End of Period of the properties owned by JPR at end of the 44th fiscal period, indicated in a percentage rounded to the first decimal place.

Area	Type	Property Name	Acquisition Date	Acquisition Price		Appraisal Value at End of Period	
				Price (million yen)	Investment Ratio (%)	Appraisal Value (million yen)	Investment Ratio (%)
Central Tokyo	Office	Kanematsu Bldg.	Dec. 27, 2001	16,276	3.3	14,300	2.4
		Kanematsu Bldg. Annex	Dec. 27, 2001	2,874	0.6	2,970	0.5
		JPR Ningyo-cho Bldg.	Nov. 16, 2001	2,100	0.4	3,230	0.5
		Shin-Kojimachi Bldg.	Nov. 16, 2001	1,670	0.5	4,300	0.7
			Nov. 21, 2002	550			
			Nov. 12, 2004	200			
		MS Shibaura Bldg.	Mar. 28, 2003	11,200	2.3	14,400	2.4
		JPR Ichigaya Bldg.	May 28, 2004	5,100	1.0	4,830	0.8
		Oval Court Ohsaki Mark West	Jun. 1, 2004	3,500	0.7	5,270	0.9
		Shinjuku Square Tower	Jul. 2, 2004	10,000	3.0	15,500	2.6
			Sep. 26, 2008	180			
			Mar. 25, 2015	4,000			
			Oct. 21, 2015	786			
		BYGS Shinjuku Bldg.	Nov. 9, 2004	2,900	3.0	19,400	3.3
			Apr. 12, 2005	8,921			
			Jul. 13, 2010	3,300			
		Across Shinkawa Bldg. Annex	Nov. 26, 2004	710	0.1	806	0.1
		Shinjuku Center Bldg.	Mar. 27, 2008	21,000	4.9	21,200	3.6
			Dec. 22, 2022	3,320			
		Minami Azabu Bldg.	Jul. 14, 2008	3,760	0.8	3,420	0.6
		Shinagawa Canal Bldg.	Dec. 19, 2008	1,870	0.4	2,140	0.4
			Mar. 8, 2019	171			
		Rokubancho Bldg.	Dec. 2, 2009	2,800	0.6	3,730	0.6
		JPR Harajuku Bldg.	Dec. 25, 2009	8,400	1.7	10,100	1.7
		JPR Nihonbashi-horidome Bldg.	Mar. 31, 2010	5,100	1.0	6,950	1.2
		JPR Sendagaya Bldg.	May 31, 2010	15,050	3.0	11,900	2.0
		Ginza Sanwa Bldg.	Aug. 29, 2011	3,400	0.7	3,880	0.7
		Otemachi Tower (Land with Leasehold Interest)	Mar. 13, 2012	36,000	7.2	56,700	9.5
	Science Plaza-Yonbancho Plaza	Dec. 6, 2013	2,660	0.5	3,470	0.6	
	Shibadaimon Center Bldg.	Dec. 6, 2013	3,413	0.8	6,530	1.1	
		Jul. 30, 2014	800				
	Tokyo Square Garden	Feb. 1, 2017	9,200	3.7	22,200	3.7	
Apr. 4, 2017		9,200					
JPR Kojimachi Bldg.	Jun. 27, 2019	5,750	1.2	6,230	1.0		
Otemachi Financial City North Tower	Dec. 24, 2020	11,400	2.3	13,000	2.2		
Tokyo Tatemono Higashi Shibuya Bldg.	Jan. 18, 2022	11,300	2.3	12,200	2.0		
Ochanomizu Sola City	Apr. 12, 2023	6,490	1.3	7,040	1.2		
Retail, etc.	JPR Shibuya Tower Records Bldg.	Jun. 30, 2003	12,000	2.4	15,300	2.6	
	JPR Jingumae 432	Mar. 24, 2006	4,275	0.9	4,100	0.7	
	Shinjuku Sanhome East Bldg.	Mar. 14, 2007	540	0.6	2,360	0.4	
		Apr. 24, 2008	2,200				
	Yurakucho Ekimae Bldg. (Yurakucho Itocia)	Aug. 27, 2008	3,400	0.7	3,490	0.6	
	JPR Ginza Namiki-dori Bldg.	Dec. 15, 2016	10,100	2.0	11,100	1.9	
FUNDES Suidobashi	Dec. 15, 2016	3,250	0.7	3,470	0.6		
Subtotal of Central Tokyo				271,116	54.5	315,516	52.9

Area	Type	Property Name	Acquisition Date	Acquisition Price		Appraisal Value at End of Period	
				Price (million yen)	Investment Ratio (%)	Appraisal Value (million yen)	Investment Ratio (%)
Greater Tokyo	Office	Arca East	Nov. 16, 2001	5,880	1.2	6,780	1.1
		JPR Chiba Bldg.	Dec. 13, 2001	2,350	0.5	1,910	0.3
		JPR Yokohama Nihon Odori Bldg.	Nov. 16, 2001	2,927	0.6	2,460	0.4
		Shinyokohama 2nd Center Bldg.	Sep. 25, 2002	920	0.3	2,620	0.4
			Mar. 28, 2013	570			
		Kawaguchi Center Bldg.	Feb. 13, 2004	8,100	1.6	11,800	2.0
		JPR Ueno East Bldg.	Mar. 1, 2004	3,250	0.7	5,870	1.0
		Tachikawa Business Center Bldg.	Sep. 30, 2005	888	0.6	4,680	0.8
			Feb. 28, 2007	2,300			
		Rise Arena Bldg.	Mar. 22, 2007 Oct. 28, 2021	5,831 7,300	2.6	18,500	3.1
		Yume-ooka Office Tower	Jul. 10, 2007	6,510	1.3	7,400	1.2
		Olinas Tower	Jun. 29, 2009	31,300	6.3	40,900	6.9
		JPR Yokohama Bldg.	Dec. 27, 2010	7,000	1.4	10,100	1.7
	JPR Omiya Bldg.	Mar. 22, 2013	6,090	1.2	11,100	1.9	
	Sencity Bldg.	Mar. 27, 2020	13,870	2.8	15,700	2.6	
	Retail, etc.	Tanashi ASTA	Nov. 16, 2001	10,200	2.1	11,100	1.9
		Cupo-la Main Bldg.	Mar. 31, 2006	2,100	0.4	3,070	0.5
		JPR Musashikosugi Bldg.	Sep. 28, 2006	7,254	1.5	5,340	0.9
		Musashiurawa Shopping Square	Mar. 19, 2007	4,335	0.9	4,350	0.7
		Kawasaki Dice Bldg.	Apr. 12, 2007	15,080	3.0	12,600	2.1
		FUNDES Ueno	Jun. 27, 2019	3,800	0.8	4,090	0.7
Subtotal of Greater Tokyo				147,855	29.7	180,370	30.2
Other Cities	Office	Niigata Ekinan Center Bldg.	Nov. 16, 2001	2,140	0.4	2,160	0.4
		JPR Naha Bldg.	Nov. 16, 2001	1,560	0.3	2,410	0.4
		Sompo Japan Sendai Bldg.	Jun. 26, 2002	3,150	0.6	4,110	0.7
		Sompo Japan Wakayama Bldg.	Jun. 26, 2002	1,670	0.3	1,550	0.3
		Tenjin 121 Bldg.	Jun. 21, 2002	2,810	0.6	4,080	0.7
		JPR Dojima Bldg.	Jan. 23, 2004	2,140	0.4	3,980	0.7
		JPR Nagoya Fushimi Bldg.	Mar. 22, 2005	4,137	0.8	3,510	0.6
		Yakuin Business Garden	Aug. 8, 2012	10,996	2.2	24,400	4.1
		JPR Shinsaibashi Bldg.	May 30, 2005	5,430	1.1	4,770	0.8
		JPR Shinsaibashi West	Jan. 30, 2020	3,750	0.8	4,780	0.8
		GRAND FRONT OSAKA (Umekita Plaza and South Building) (Note)	Dec. 24, 2021	11,800	2.4	12,300	2.1
		GRAND FRONT OSAKA (North Building) (Note)	Dec. 24, 2021	9,500	1.9	10,100	1.7
	JPR Dojima West	Jan. 11, 2023	2,460	0.5	2,800	0.5	
	Retail, etc.	Housing Design Center Kobe	Sep. 28, 2005	7,220	1.5	7,330	1.2
		JPR Chayamachi Bldg.	Aug. 30, 2006	6,000	1.2	8,410	1.4
FUNDES Tenjin Nishidori		Jan. 11, 2023	3,310	0.7	3,690	0.6	
Subtotal of Other Cities				78,073	15.7	100,380	16.8
Total				497,044	100.0	596,266	100.0

(Note) In association with the acquisition of GRAND FRONT OSAKA (Umekita Plaza and South Building) and GRAND FRONT OSAKA (North Building), JPR acquired 1,666 shares in KMO Corporation for 83,740 thousand yen, a claim for refund of funds of Knowledge Capital, a general incorporated association, for 5,120 thousand yen, and a claim for refund of funds of GRAND FRONT OSAKA TMO, a general incorporated association, for 710 thousand yen.
The appraisal value at end of the 44th fiscal period of these shares and claims for refund of funds is 83,740 thousand yen for the 1,666 shares of KMO Corporation, 5,120 thousand yen for the claim for refund of funds of Knowledge Capital, and 710 thousand yen for the claim for refund of funds of GRAND FRONT OSAKA TMO.

(3) Capital Expenditures

1) Planned Capital Expenditures

The following are major items of capital expenditures for renovation works, etc. planned as of the end of the 44th fiscal period for real estate and real estate in trust regarding trust beneficiary interests in real estate which JPR owns. Furthermore, the planned construction expenses include portions that are classified as expenses in accounting.

Property Name	Location	Purpose	Schedule	Planned Amount (million yen)		
				Total Value	Payment during the 44th fiscal period	Amount Already Paid
MS Shibaura Bldg.	Minato-ku, Tokyo	First phase of replacement of air conditioning units and replacement of lighting equipment with LED lamps	Jan. 2024 – Jun. 2024	356	–	–
Kawaguchi Center Bldg.	Kawaguchi, Saitama	Second phase of replacement of toilets	Jul. 2023 – Jun. 2024	107	–	–
JPR Sendagaya Bldg.	Shibuya-ku, Tokyo	First phase of replacement of air conditioning units	Mar. 2024 – May 2024	86	–	–
Housing Design Center Kobe	Kobe, Hyogo	Fourth phase of replacement of toilets	Jan. 2024 – Jun. 2024	81	–	–
JPR Dojima West	Osaka, Osaka	First phase of replacement of toilets	Dec. 2023 – Jun. 2024	73	–	–
Shinyokohama 2nd Center Bldg.	Yokohama, Kanagawa	Reinforcement of elevators	Apr. 2024 – May 2024	69	–	–
Tokyo Tatemono Higashi Shibuya Bldg.	Shibuya-ku, Tokyo	Reinforcement of elevators (No. 3)	Oct. 2023 – Feb. 2024	61	–	–
JPR Ueno East Bldg.	Taito-ku, Tokyo	First phase of reinforcement of elevators	May 2024 – Jun. 2024	51	–	–
Shinjuku Center Bldg.	Shinjuku-ku, Tokyo	Second phase of replacement of piping equipment	Jan. 2024 – Jun. 2024	48	–	–
Kawaguchi Center Bldg.	Kawaguchi, Saitama	Second phase of replacement of lighting equipment with LED lamps	Jan. 2024 – Jun. 2024	43	–	–
Yakuin Business Garden	Fukuoka, Fukuoka	Replacement of lighting equipment with LED lamps	Feb. 2024 – Apr. 2024	41	–	–
JPR Shinsaibashi West	Osaka, Osaka	Replacement of water receiving tanks and elevated water tanks	Mar. 2024 – Jun. 2024	40	–	–
Sencity Bldg.	Chiba, Chiba	Restoration to original condition	Jan. 2024 – Mar. 2024	38	–	–
Sencity Bldg.	Chiba, Chiba	Reinforcement of elevators (West No. 28)	Mar. 2024 – Jun. 2024	37	–	–
Arca East	Sumida-ku, Tokyo	Renovation of common areas	Apr. 2023 – Mar. 2024	35	–	–
Shinjuku Center Bldg.	Shinjuku-ku, Tokyo	Replacement of sprinkler equipment	Feb. 2024 – Jun. 2024	31	–	–
Arca East	Sumida-ku, Tokyo	Replacement of toilets	Oct. 2023 – Mar. 2024	30	–	–

2) Capital Expenditures during the 44th Fiscal Period

The following are the capital expenditure amounts JPR invested in real estate and real estate in trust during the 44th fiscal period. Among major capital expenditures, JPR conducted replacement of air-conditioning units to maintain and enhance tenant satisfaction, as well as renovation of common-use areas with the aim of attracting new tenants, among other works. In addition, aside from these constructions, JPR conducted construction of 592 million yen (Note), which was appropriated as expenditures for repair and maintenance.

Property Name	Location	Purpose	Period	Construction Expenses (million yen)
JPR Yokohama Bldg.	Yokohama, Kanagawa	Replacement of interior fittings on the 8th and 9th floors (partitioning, etc.)	Oct. 2023 – Dec. 2023	171
JPR Yokohama Bldg.	Yokohama, Kanagawa	Replacement of interior fittings on the 8th and 9th floors (furniture and ceiling, etc.)	Apr. 2023 – Dec. 2023	99
Housing Design Center Kobe	Kobe, Hyogo	Third phase of replacement of toilets	Jul. 2023 – Dec. 2023	92
Kawaguchi Center Bldg.	Kawaguchi, Saitama	First phase of replacement of toilets	Jul. 2023 – Dec. 2023	92
Shinjuku Center Bldg.	Shinjuku-ku, Tokyo	First phase of renewal of air handling units on standard floors	Jul. 2023 – Dec. 2023	81
JPR Shinsaibashi Bldg.	Osaka, Osaka	Repair of exterior walls (east and south sides)	Mar. 2023 – Dec. 2023	65
JPR Yokohama Bldg.	Yokohama, Kanagawa	Replacement of interior fittings on the 8th and 9th floors (office automation facilities, walls, etc.)	Aug. 2023 – Dec. 2023	58
MS Shibaura Bldg.	Minato-ku, Tokyo	Third phase of reinforcement of elevators	Jun. 2023 – Sep. 2023	46
Olinas Tower	Sumida-ku, Tokyo	Replacement of security systems	Feb. 2023 – Nov. 2023	45
Across Shinkawa Bldg. Annex	Chuo-ku, Tokyo	Second phase of replacement of toilets	Apr. 2023 – Sep. 2023	45
Tokyo Tatemono Higashi Shibuya Bldg.	Shibuya-ku, Tokyo	Reinforcement of elevators (No. 2)	Jul. 2023 – Oct. 2023	41
MS Shibaura Bldg.	Minato-ku, Tokyo	Renovation of common areas	Oct. 2023 – Dec. 2023	39
JPR Nihonbashi-horidome Bldg.	Chuo-ku, Tokyo	Repair of exterior walls	May 2023 – Nov. 2023	38
Tachikawa Business Center Bldg.	Tachikawa, Tokyo	Repair of exterior walls	Sep. 2023 – Dec. 2023	36
JPR Harajuku Bldg.	Shibuya-ku, Tokyo	Reinforcement of elevators	Jun. 2023 – Jul. 2023	33
Other capital expenditures		Replacement of air-conditioning units, repair of common areas, replacement of lighting equipment with LED lamps, etc.		1,040
Total				2,027

(Note) Expenditures for repair and maintenance included 13 million yen of construction management fees paid to construction management companies as well as the amounts for repair and maintenance construction itself.

(4) Major Investment Assets

The following is the investment property with rental revenues exceeding 10% of total rental revenues of the entire portfolio of JPR for the 44th fiscal period.

<Property Name: Otemachi Tower (Land with Leasehold Interest)>

Total Number of Tenants	2	
Rental Revenues	1,801,499 thousand yen	
Percentage to Total Rental Revenues (Note 1)	10.3%	
Total Leased Floor Space (Note 2)	11,034.78 m ²	
Total Leasable Floor Space (Note 2)	11,034.78 m ²	
Changes in Occupancy Rate in Last 5 Years (Note 1)	December 31, 2023	100.0%
	June 30, 2023	100.0%
	December 31, 2022	100.0%
	June 30, 2022	100.0%
	December 31, 2021	100.0%
	June 30, 2021	100.0%
	December 31, 2020	100.0%
	June 30, 2020	100.0%
	December 31, 2019	100.0%
	June 30, 2019	100.0%

(Note 1) The percentage figures have been rounded to the first decimal place.

(Note 2) The total leased floor space and total leasable floor space are those as of December 31, 2023.

(5) Information Concerning Tenants

1) Overview of Lease Status by JPR as a Whole

	No. of Properties	Total No. of Tenants	Total Leasable Floor Space	Occupancy Rate
June 30, 2019	63	757	480,277.86 m ²	98.6%
December 31, 2019	63	760	480,284.17 m ²	99.6%
June 30, 2020	65	851	499,269.77 m ²	99.7%
December 31, 2020	66	857	501,162.78 m ²	99.3%
June 30, 2021	65	804	496,876.92 m ²	98.1%
December 31, 2021	66	1,134	500,628.05 m ²	97.3%
June 30, 2022	67	1,171	502,889.81 m ²	97.5%
December 31, 2022	65	1,180	494,503.72 m ²	97.6%
June 30, 2023	67	1,224	497,600.56 m ²	98.1%
July 31, 2023	67	1,226	497,614.07 m ²	97.9%
August 31, 2023	67	1,230	497,680.65 m ²	98.3%
September 30, 2023	67	1,231	497,670.28 m ²	98.2%
October 31, 2023	67	1,233	497,645.77 m ²	98.7%
November 30, 2023	67	1,237	497,639.92 m ²	98.6%
December 31, 2023	67	1,236	497,252.42 m ²	98.7%

(Note) Occupancy rates have been rounded to the first decimal place.

Furthermore, the following table shows the total number of tenants, total leased floor space and total leasable floor space as of the end of the 44th fiscal period, as well as the total rental revenues for the 44th fiscal period.

Total Number of Tenants	1,236
Total Leased Floor Space	490,652.84 m ²
Total Leasable Floor Space	497,252.42 m ²
Total Rental Revenues	17,411,577 thousand yen

2) Overview of Lease Status for Respective Properties

Area	Type	Property Name	44th Fiscal Period (July 1, 2023 – December 31, 2023)					
			Information on Period End Floor Space, Etc.				Rental Revenues	
			Total Leasable Floor Space (m ²)	Total Leased Floor Space (m ²)	No. of Tenants (Note 1)	Occupancy Rate (%)	(thousands of yen)	Ratio (%)
Central Tokyo	Office	Kanematsu Bldg.	8,090.74	7,689.05	11	95.0	380,786	2.2
		Kanematsu Bldg. Annex	2,291.13	2,291.13	1	100.0	(Note 2)	(Note 2)
		JPR Ningyo-cho Bldg.	2,802.22	2,802.22	5	100.0	97,250	0.6
		Shin-Kojimachi Bldg.	3,319.37	3,319.37	20	100.0	114,036	0.7
		MS Shibaura Bldg.	14,468.38	14,468.38	10	100.0	496,824	2.9
		JPR Ichigaya Bldg.	3,852.87	3,852.87	9	100.0	146,048	0.8
		Oval Court Ohsaki Mark West	4,088.44	4,088.44	1	100.0	(Note 2)	(Note 2)
		Shinjuku Square Tower	19,266.47	18,968.36	29	98.5	406,119	2.3
		BYGS Shinjuku Bldg.	15,222.80	15,188.12	23	99.8	623,315	3.6
		Across Shinkawa Bldg. Annex	1,264.51	1,264.51	4	100.0	38,668	0.2
		Shinjuku Center Bldg.	10,417.25	10,058.67	26	96.6	626,767	3.6
		Minami Azabu Bldg.	3,405.73	3,405.73	1	100.0	(Note 2)	(Note 2)
		Shinagawa Canal Bldg.	1,870.50	1,870.50	6	100.0	74,091	0.4
		Rokubancho Bldg.	2,501.16	2,501.16	1	100.0	(Note 2)	(Note 2)
		JPR Harajuku Bldg.	4,759.80	4,217.65	11	88.6	207,967	1.2
		JPR Nihonbashi-horidome Bldg.	5,299.88	5,299.88	5	100.0	193,870	1.1
		JPR Sendagaya Bldg.	6,177.74	6,177.74	6	100.0	310,189	1.8
		Ginza Sanwa Bldg.	1,896.70	1,896.70	9	100.0	121,791	0.7
		Otemachi Tower (Land with Leasehold Interest)	11,034.78	11,034.78	2	100.0	1,801,499	10.3
		Science Plaza-Yonbancho Plaza	3,325.29	3,240.96	24	97.5	117,871	0.7
		Shibadaimon Center Bldg.	5,401.48	5,401.48	9	100.0	191,916	1.1
		Tokyo Square Garden	5,971.69	5,889.04	51	98.6	351,455	2.0
		JPR Kojimachi Bldg.	3,493.67	3,493.67	8	100.0	141,527	0.8
		Otemachi Financial City North Tower	4,191.97	4,188.85	9	99.9	291,255	1.7
		Tokyo Tatemono Higashi Shibuya Bldg.	7,822.75	7,822.75	15	100.0	338,159	1.9
		Ochanomizu Sola City	2,234.95	2,215.70	23	99.1	(Note 2)	(Note 2)
Greater Tokyo	Retail, etc.	JPR Shibuya Tower Records Bldg.	8,076.85	8,076.85	1	100.0	(Note 2)	(Note 2)
		JPR Jingumae 432	1,027.33	792.08	6	77.1	57,065	0.3
		Shinjuku Sanchoe East Bldg.	2,347.81	2,347.81	1	100.0	(Note 2)	(Note 2)
		Yurakucho Ekimae Bldg. (Yurakucho Itocia)	1,101.92	1,101.92	1	100.0	(Note 2)	(Note 2)
		JPR Ginza Namiki-dori Bldg.	1,667.92	1,667.92	9	100.0	201,405	1.2
		FUNDES Suidobashi	1,367.56	1,192.77	5	87.2	79,184	0.5
Greater Tokyo	Office	Arca East	7,022.76	7,022.76	7	100.0	273,214	1.6
		JPR Chiba Bldg.	5,542.93	5,452.95	42	98.4	155,451	0.9
		JPR Yokohama Nihon Odori Bldg.	6,079.73	6,079.73	19	100.0	139,703	0.8
		Shinyokohama 2nd Center Bldg.	5,287.97	4,814.59	23	91.0	121,844	0.7
		Kawaguchi Center Bldg.	15,586.29	15,586.29	40	100.0	478,700	2.7
		JPR Ueno East Bldg.	6,454.89	6,454.89	10	100.0	185,844	1.1

Area	Type	Property Name	44th Fiscal Period (July 1, 2023 – December 31, 2023)					Rental Revenues	
			Information on Period End Floor Space, Etc.				Occupancy Rate (%)	(thousands of yen)	Ratio (%)
			Total Leasable Floor Space (m ²)	Total Leased Floor Space (m ²)	No. of Tenants (Note 1)				
Greater Tokyo	Office	Tachikawa Business Center Bldg.	4,587.93	4,587.93	23	100.0	152,406	0.9	
		Rise Arena Bldg.	10,531.13	10,531.13	8	100.0	490,632	2.8	
		Yume-ooka Office Tower	11,999.58	11,999.58	44	100.0	354,389	2.0	
		Olinas Tower	23,987.40	23,243.06	22	96.9	944,248	5.4	
		JPR Yokohama Bldg.	6,494.67	6,494.67	21	100.0	280,270	1.6	
		JPR Omiya Bldg.	6,755.32	6,755.32	11	100.0	256,247	1.5	
		Sencity Bldg.	13,271.26	12,120.12	73	91.3	594,106	3.4	
	Retail, etc.	Tanashi ASTA	31,121.71	31,121.71	1	100.0	(Note 2)	(Note 2)	
		Cupo-la Main Bldg.	5,963.00	5,963.00	1	100.0	(Note 2)	(Note 2)	
		JPR Musashikosugi Bldg.	19,740.95	19,740.95	1	100.0	(Note 2)	(Note 2)	
		Musashiurawa Shopping Square	14,960.70	14,960.70	3	100.0	127,041	0.7	
		Kawasaki Dice Bldg.	12,113.10	11,920.13	29	98.4	454,670	2.6	
		FUNDES Ueno	1,989.66	1,989.66	10	100.0	129,649	0.7	
Other Cities	Office	Niigata Ekinan Center Bldg.	5,327.50	5,033.19	11	94.5	115,711	0.7	
		JPR Naha Bldg.	3,944.84	3,944.84	23	100.0	122,056	0.7	
		Sompo Japan Sendai Bldg.	7,107.92	6,976.68	16	98.2	184,150	1.1	
		Sompo Japan Wakayama Bldg.	4,873.84	4,866.34	18	99.8	109,979	0.6	
		Tenjin 121 Bldg.	3,258.68	3,258.68	16	100.0	103,345	0.6	
		JPR Dojima Bldg.	3,917.91	3,917.91	12	100.0	128,698	0.7	
		JPR Nagoya Fushimi Bldg.	7,086.23	7,075.06	6	99.8	155,425	0.9	
		Yakuin Business Garden	16,654.33	16,644.71	16	99.9	618,191	3.6	
		JPR Shinsaibashi Bldg.	4,021.63	3,775.40	7	93.9	130,278	0.7	
		JPR Shinsaibashi West	5,695.71	5,689.41	13	99.9	153,303	0.9	
		GRAND FRONT OSAKA (Umekita Plaza and South Building)	5,285.94	4,950.09	249	93.6	(Note 2)	(Note 2)	
		GRAND FRONT OSAKA (North Building)	8,474.10	8,318.53	98	98.2	(Note 2)	(Note 2)	
	JPR Dojima West	3,074.30	2,558.92	9	83.2	86,789	0.5		
	Retail, etc.	Housing Design Center Kobe	35,444.13	35,444.13	1	100.0	(Note 2)	(Note 2)	
JPR Chayamachi Bldg.		2,478.42	2,478.42	5	100.0	179,505	1.0		
FUNDES Tenjin Nishidori		1,054.30	1,054.30	6	100.0	75,434	0.4		
Total			497,252.42	490,652.84	1,236	98.7	17,411,577	100.0	

(Note 1) The number of tenants at end of period is counted as follows: when a single tenant leases multiple rooms, it is counted as one if the tenant uses the same property. If the leased rooms are in multiple buildings, the tenant is counted in plural.

The tenants of Shinjuku Square Tower, Shinjuku Center Bldg., Residential part of Science Plaza-Yonbancho Plaza, Tokyo Square Garden, Otemachi Financial City North Tower, Ochanomizu Sola City, Rise Arena Bldg., Sencity Bldg., Kawasaki Dice Bldg., GRAND FRONT OSAKA (Umekita Plaza and South Building) and part of GRAND FRONT OSAKA (North Building) have sublet space to sublessees and lease agreements have been executed where the rent paid by the tenants fluctuates in accordance with the lease conditions of the sublessees and thus the numbers of sublessees have been entered as the numbers of tenants. (For, GRAND FRONT OSAKA (North Building), some portions employ fixed master lease or direct lease, but the figure indicates the number of end tenants, including those of such portions.)

(Note 2) JPR does not disclose rental revenues and their ratios for these properties due to inevitable reasons, as JPR has not been able to obtain consent from tenants or co-owners regarding disclosure of rental revenues, etc.

3) Ten Largest Tenants

The following table shows the ten largest tenants in terms of leased floor space as of December 31, 2023.

Rank	Tenant	Property Name	Leased Floor Space at End of Period (m ²) (Note 1)	Percentage to Total Leased Floor Space at End of Period (Note 2)
1	Tokyo Tatemono Co., Ltd.	Shinjuku Square Tower Shinjuku Center Bldg. Tokyo Square Garden Olinas Tower Kawasaki Dice Bldg.	50,196.83	10.1%
		GRAND FRONT OSAKA (North Building)		
2	ABC Development Corporation	Housing Design Center Kobe	35,444.13	7.2%
3	Seiyu Co., Ltd.	Tanashi ASTA	31,121.71	6.3%
4	Taisei-Yuraku Real Estate Co., Ltd.	Rise Arena Bldg. Sencity Bldg.	24,075.05	4.9%
5	Ito-Yokado Co., Ltd.	JPR Musashikosugi Bldg.	19,740.95	4.0%
6	Olympic Group Corporation	Musashiurawa Shopping Square	9,558.51	1.9%
7	Mitsubishi Estate Co., Ltd.	Otemachi Financial City North Tower	4,191.97	0.8%
		GRAND FRONT OSAKA (Umekita Plaza and South Building) GRAND FRONT OSAKA (North Building)		
8	Tower Records Japan Inc.	JPR Shibuya Tower Records Bldg.	8,076.85	1.6%
9	Y.K. Tokyo Prime Stage	Otemachi Tower (Land with Leasehold Interest)	7,875.50	1.6%
10	Hitachi Real Estate Partners, Ltd.	BYGS Shinjuku Bldg. JPR Ueno East Bldg. Yume-ooka Office Tower JPR Nagoya Fushimi Bldg.	7,066.60	1.4%

(Note 1) For co-owned properties, etc., the figure indicates the leased floor space corresponding to the ownership interest held by JPR.

(Note 2) The figures have been rounded to the first decimal place. The total leased floor space at end of period in the above table is based on the space corresponding to the ownership interest held by JPR (494,797.47 m²).

(Note 3) Leased floor space at end of period and Percentage to total leased floor space at end of period for GRAND FRONT OSAKA (Umekita Plaza and South Building) and GRAND FRONT OSAKA (North Building) is not disclosed as no consent to disclosure has been obtained from the co-owners, etc.