

Translation

**Japan Prime Realty Investment Corporation**  
**Financial Report for the 38th Fiscal Period Results (July 1, 2020 - December 31, 2020)**

February 16, 2021

REIT Securities Issuer:	Japan Prime Realty Investment Corporation	Listing:	Tokyo Stock Exchange
Securities Code:	8955	URL:	<a href="http://www.jpr-reit.co.jp/">http://www.jpr-reit.co.jp/</a>
Representative:	Yoshihiro Jozaki, Executive Officer		
Asset Management Company:	Tokyo Realty Investment Management, Inc.		
Representative:	Yoshihiro Jozaki, President and Chief Executive Officer		
Contact:	Yoshinaga Nomura, Director and Chief Financial Officer	TEL:	+81-3-3231-1051
Scheduled date of submission of securities report:	March 26, 2021		
Scheduled date of commencement of distribution payout:	March 10, 2021		
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 38th Fiscal Period (July 1, 2020 – December 31, 2020)**

[Amounts are rounded down to the nearest million yen, except for per unit figures.]

**(1) Operating Results**

[% figures represent the increase (decrease) compared with the previous fiscal period]

	Operating Revenues		Operating Income		Ordinary Income		Net Income	
	million yen	%	million yen	%	million yen	%	million yen	%
For the six months ended December 31, 2020	17,129	4.7	8,533	6.5	7,840	7.7	7,839	7.7
June 30, 2020	16,363	2.2	8,013	4.3	7,277	5.2	7,276	5.2

	Net Income per Unit (EPU)	Net Income / Net Assets	Ordinary Income / Total Assets	Ordinary Income / Operating Revenues
	yen	%	%	%
For the six months ended December 31, 2020	8,181	3.1	1.6	45.8
June 30, 2020	7,690	2.9	1.6	44.5

**(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, 2020	7,750	7,426	–	–	94.7	2.9
June 30, 2020	7,595	7,277	–	–	100.0	2.9

(Note 1) Dividend payout ratio is rounded down to the first decimal place.

(Note 2) Dividend payout ratio for the six months ended June 30, 2020 is calculated by using the following formula, as JPR issued new investment units in the fiscal period:

$$\text{Dividend payout ratio} = \text{Distribution amount} / \text{Net income} \times 100$$

(Note 3) The difference between the distribution amount and net income for the six months ended December 31, 2020 is attributable to the fact that part of the retained earnings (414 million yen) was internally reserved as reserve for reduction entry.

**(3) Financial Position**

	Total Assets	Net Assets	Net Assets / Total Assets	Net Asset Per Unit
	million yen	million yen	%	yen
As of December 31, 2020	484,573	256,399	52.9	267,570
June 30, 2020	473,186	255,838	54.1	266,984

## (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 December 31, 2020	million yen 11,402	million yen (12,285)	million yen 2,178	million yen 41,396
June 30, 2020	8,967	(17,892)	11,250	40,100

## 2. Forecasts for the 39th Fiscal Period Ending June 30, 2021 (January 1, 2021 – June 30, 2021) and the 40th Fiscal Period Ending December 31, 2021 (July 1, 2021 – December 31, 2021)

[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 Revenues		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
39th Fiscal Period Ending June 30, 2021	17,255	0.7	8,712	2.1	8,020	2.3	8,020	2.3	7,550	–
40th Fiscal Period Ending December 31, 2021	16,438	(4.7)	7,843	(10.0)	7,082	(11.7)	7,082	(11.7)	7,550	–

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

39th fiscal period ending June 30, 2021: 8,369 yen

40th fiscal period ending December 31, 2021: 7,390 yen

(Note 1) DPU for the 39th fiscal period ending June 30, 2021 is calculated after deducting the gain on sale (784 million yen) of JPR Hakata Bldg. (65.0% co-ownership interest) which JPR plans to internally reserve in application of the Special Provisions for Taxation in Cases of Repurchase of Specified Assets (Article 65-7 of the Act on Special Measures Concerning Taxation).

(Note 2) DPU for the 40th fiscal period ending December 2021 is calculated on the assumption that part of the reserve for reduction entry (153 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, 2020: 958,250 units      As of June 30, 2020: 958,250 units

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

As of December 31, 2020: 0 units      As of June 30, 2020: 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 21.

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

#### \* Special note

The forecasts for the 39th fiscal period ending June 30, 2021 and the 40th fiscal period ending December 31, 2021 are calculated as of February 16, 2021 based on the assumptions described on pages 8 and 9 of this report. Accordingly, actual operating revenues, 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, 2021. 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 958,250 units as of the end of the 38th fiscal period (December 31, 2020). 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

Looking at the Japanese economy in the 38th fiscal period, corporate earnings continued to drop sharply under the influence of the novel coronavirus infection (COVID-19), with employment also drifting on a weak note. Although exports increased and production showed a pickup, the domestic economy still remained in a difficult situation. The overseas economy also stayed in a severe situation due to the impact of COVID-19. With the COVID-19 infections expanding both in and outside Japan toward the end of the fiscal period under review, there are concerns about its negative impact on the economy.

##### *The Office Property Leasing Market*

The occupancy rate has been kept at a low level in the office property leasing market. Close attention must be paid, however, as the figure is rising for the moment due to the impact of COVID-19.

##### *The Retail Property Leasing Market*

Although a pickup was seen to take place gradually at urban retail properties which JPR targets for investment, the spread of COVID-19 infections expanded toward the end of the 38th fiscal period, causing concerns about negative impact mainly on restaurants and eateries.

##### *The For-Sale Real Estate Market*

In the for-sale real estate market, active transactions continued to take place against the backdrop of the recovery in the stock price and low interest rates, etc. Although investors' expected cap rate reflects their cautious attitude in some areas for hotels and urban retail properties that have been hard hit by COVID-19, blue-chip properties in which JPR targets to invest are still in short supply and, as investors both in and outside Japan show strong appetite to acquire them, low-yield transactions continue to prevail and the acquisition environment remains harsh. Accordingly, investors continue to look for ways to effectively acquire properties, such as diversifying the target assets for investment and conducting asset replacement.

#### 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 diversification of the portfolio, both in terms of location and asset type.

During the 38th fiscal period, JPR acquired Otemachi Financial City North Tower (acquisition price: 11,400 million yen) and sold 35% ownership interest of JPR Hakata Bldg. (sale price of the relevant ownership interest: 1,430 million yen), both in December 2020. Consequently, as of the end of December 2020, the balance of JPR's assets under management totaled 66 properties, or 467.5 billion yen on an acquisition price basis, with the total leasable floor space standing at 501,162m<sup>2</sup> and the number of tenants at 857.

*Operational Management of Portfolio*

In the office property leasing market in the 38th fiscal period, it was required to pay close attention to the impact of COVID-19, as stated in the Management Environment above. Under such circumstances, JPR endeavored to attract new tenants through strategic leasing activities and enhance the satisfaction of existing tenants by keeping close cooperation with property management companies and brokers, with an aim of securing stable earnings from the entire portfolio and its occupancy rate. As a result of these efforts, the occupancy rate at the end of the 38th fiscal period was kept at a high level, although it decreased 0.4 points period-on-period to 99.3%.

In terms of property management, based on JPR's brand concept A/3S (Amenity/Service, Safety and Save Energy), JPR continued to proactively implement value enhancement works based on tenant needs with an aim to create spaces where the workers feel satisfaction. As an endeavor to implement energy-saving measures, JPR conducted renovation of air-conditioning systems and replacement of lighting equipment with LED lamps, which are expected to be effective for the endeavor, at its multiple properties.

Moreover, as its initiatives on environmental issues, JPR has continuously obtained environmental certifications. As of December 31, 2020, JPR acquired the DBJ Green Building Certification\*<sup>1</sup> for 14 properties and the CASBEE for Building Certification\*<sup>2</sup> for 16 properties (including 6 newly certified properties). In addition, JPR acquired BELS\*<sup>3</sup> certification for one of its properties. 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\*<sup>4</sup> Real Estate Assessment for 2020, marking the seventh consecutive year of recognition with the highest ranking in the survey. JPR was also granted a higher rank of "5 Stars" in the GRESB Rating, which makes relative assessment based on total scores, for two 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 disaster 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 made 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 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 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 endeavors on debt financing with an emphasis placed on lengthening the debt maturity and diversifying repayment dates, in an effort to make its financial base more solid and stronger against the backdrop of the favorable fund procurement environment and low interest rates.

JPR borrowed 20.5 billion yen to fund the refinance of interest-bearing debts that matured during the 38th fiscal period and the acquisition of a property. The average maturity of and the average interest on the new interest-bearing debts (excluding short-term debts) stood at 9.2 years and 0.54%, respectively, in contrast to 6.8 years and 0.96% for the relevant interest-bearing debts before refinancing.

As of the end of the 38th fiscal period, the balance of interest-bearing debts totaled 196.5 billion yen, with balance of borrowings of 164.0 billion yen and balance of investment corporation bonds of 32.5 billion yen. The ratio of interest-bearing debt to total assets (Note 1) was 40.6%, long-term and fixed interest-bearing debt ratio (Note 2) was 96.9%, average debt cost (Note 3) was 0.76% and average maturity (Note 4) was 4.6 years as of the end of the fiscal period.

Moreover, JPR established a commitment line with a credit limit of 24 billion yen with six financial institutions.

The following represents the issuer ratings for JPR as of the end of the 38th fiscal period.

Details of Corporate Credit Ratings as of December 31, 2020

Credit Rating Agency	Corporate Credit Rating (outlook)
Rating and Investment Information, Inc.	AA- (Stable)
S & P Global Ratings Japan Inc.	Long-term: A (Stable) Short-term: A-1

(Note 1) Ratio of interest-bearing debt to total assets: (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 debt / 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 38th 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 revenues of 17,129 million yen, ordinary income of 7,840 million yen and net income of 7,839 million yen for its 38th fiscal period ended December 31, 2020. With regard to the cash distributions, JPR decided to distribute part of the retained earnings brought forward that had been internally reserved through the 37th fiscal period, with the aim of having the profit distributions deducted as expenses based on application of the special provision on taxation of investment corporations (Article 67-15 of the Act on Special Measures Concerning Taxation) and in order to minimize the burden to unitholders incurred by accrual of corporate income tax, etc. JPR also decided to internally reserve 414 million yen as reserve for reduction entry from the unappropriated retained earnings, in application of 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 7,750 yen for the 38th fiscal period.

2) Forecast for the Next Fiscal Period

a) Outlook for Management Status

Looking ahead, with the economy both in and outside Japan still remaining in a severe situation, attention should be paid to the COVID-19 trends, including the Japanese government again declaring a state of emergency, and the impacts of fluctuations in the financial and capital markets, among other factors.

In the office property leasing market, although leasing of newly-constructed buildings supplied in 2020 remained steady, the impact of the spread of COVID-19 is expected to linger for a long time, raising concerns about the influence it will give on the office market conditions. In this regard, JPR is resolved to continue its endeavors to enhance the competitiveness of its owned properties, as it has focused 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 COVID-19 on the leasing market. Although the downward trend of cap rates that has continued to date is coming to a stop, the low interest rate and low yield environment will be maintained, in which it is required 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 the Tokyo office properties, 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 still stay low, with properties remaining in short supply. Going forward, although close attention must continuously be paid to the impact of COVID-19, etc., 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 keep stable revenues at a certain level in order to complement the stability of earnings from the entire portfolio. In doing so, JPR will have to make more prudent investigations, paying close attention to the sales trends, etc. of such properties under the influence of the spread of COVID-19. 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 continue to make investment decisions after a proactive collection of information through such sources as sponsors of TRIM (Tokyo Tatemono Co., Ltd., Yasuda Real Estate Co., Ltd.,

Taisei Corporation and Meiji Yasuda Life Insurance Company), accurately following 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 a long term.

#### ii) Management of Portfolio

JPR will aim to secure stable earnings over a 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 inviting 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 works with intent to improve property earnings and increase tenant satisfaction
- Reinforce promotion of energy efficiency as well as responses to business continuity plans and environmental friendliness that command high social request
- Conduct renovations to enhance energy-saving performance of the properties by utilizing the government's subsidy programs

#### iii) Fund Procurement

In accordance with its basic policy of implementing conservative financial operations that focus on stability, JPR will remain engaged in conservative leverage control, targeting to basically keep the ratio of interest-bearing debt to total assets at up to 50%. In debt financing, JPR will endeavor to further lengthen the maturity with a focus on stability in an effort to diversify the repayment dates and reduce the repayment amount for each fiscal period, with an eye on reducing refinancing risks that may arise in accordance 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 set forth by laws and regulations, etc. As a means for implementing voluntary disclosure, JPR is proactively employing its website (<http://www.jpr-reit.co.jp/en/>) to provide expanded information including monthly occupancy rates of all properties in the portfolio and historical data, as well as offer information for retail investors and deliver video presentation on financial results sessions for securities analysts. Going forward, we are committed to further enriching the disclosure contents and providing information in a timely manner.

#### v) Significant Subsequent Events

There are no material subsequent events for this fiscal period.

<Reference Information>

##### **Property Sale**

JPR concluded a sale agreement regarding the following property on December 22, 2020.

<JPR Hakata Bldg. (65.0% co-ownership interest)>

Asset type:	Beneficiary interest
Sale price:	2,665 million yen
Contract date:	December 22, 2020
Delivery date:	March 29, 2021 (planned)
Buyer:	Tokyo Tatemono Co., Ltd.
Impact on operating results:	JPR plans to record approximately 784 million yen in gain on sale of real estate as operating revenue for the fiscal period ending June 2021 (January 1, 2021 – June 30, 2021).

## b) Outlook for Management Status (Operating Results)

JPR expects the following management status in the 39th fiscal period (from January 1, 2021 to June 30, 2021) and the 40th fiscal period (from July 1, 2021 to December 31, 2021) and the.

	39th Fiscal Period	40th Fiscal Period
Operating revenues	17,255 million yen	16,438 million yen
Operating income	8,712 million yen	7,843 million yen
Ordinary income	8,020 million yen	7,082 million yen
Net income	8,020 million yen	7,082 million yen
Distribution per unit	7,550 yen	7,550 yen
Exceeding profit distribution per unit	- yen	- yen

For the assumptions underlying this outlook for management status, please refer to “Assumptions for the 39th fiscal period (from January 1, 2021 to June 30, 2021) and the 40th fiscal period (from July 1, 2021 to December 31, 2021)” shown below.

(Note) The forecast figures above are the current forecasts calculated based on certain assumptions. Accordingly, the actual operating revenues, 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 39th fiscal period (from January 1, 2021 to June 30, 2021) and  
the 40th fiscal period (from July 1, 2021 to December 31, 2021)

Item	Assumptions
Period	39th fiscal period: from January 1, 2021 to June 30, 2021 (investment period: 181 days) 40th fiscal period: from July 1, 2021 to December 31, 2021 (investment period: 184 days)
Property Portfolio	<ul style="list-style-type: none"> <li>On the basis of the 66 properties owned by JPR as of February 16, 2021, it is assumed that JPR will sell JPR Hakata Bldg. (65.0% co-ownership interest) on March 29, 2021.</li> <li>In practice, this assumption may vary due to such events as acquisition of additional properties or sale of existing properties.</li> </ul>
Operating Revenues	<ul style="list-style-type: none"> <li>Real estate rental revenues are calculated on the basis of the lease contracts effective as of December 31, 2020, 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.</li> <li>Aside from the above, the figures are calculated by factoring in the impact of COVID-19, such as rent reductions, to a certain extent.</li> <li>The assumed period-average occupancy rate at end of month is 98.0% for the 39th fiscal period and 98.0% for the 40th fiscal period.</li> <li>As for gain on sale of real estate, JPR assumes 784 million yen for the 39th fiscal period in accordance with the sale of JPR Hakata Bldg. (65.0% co-ownership interest).</li> </ul>
Operating Expenses	<ul style="list-style-type: none"> <li>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 635 million yen for the 39th fiscal period and 637 million yen for the 40th fiscal period.</li> <li>For property taxes and city planning taxes, JPR assumes 2,444 million yen for the 39th fiscal period and 2,431 million yen for the 40th 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.</li> <li>The property taxes and city planning taxes are calculated on the assumption that the amount of tax base for land is not raised through revaluation for fiscal 2021, in consideration of the details of the tax reform package decided by the Cabinet in December 2020.</li> <li>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.</li> <li>Depreciation is calculated using the straight line method, including additional future capital expenditures. Depreciation is assumed to be 2,098 million yen for the 39th fiscal period and 2,110 million yen for the 40th fiscal period.</li> <li>Operating expenses excluding rental expenses other than rental business expenses (asset management fees, administrative service and custodian fees, etc.) are assumed to be 1,019 million yen for the 39th fiscal period and 917 million yen for the 40th fiscal period.</li> </ul>
Non-Operating Income	<ul style="list-style-type: none"> <li>As for major non-operating income, JPR assumes income on settlement of management association accounts to be 53 million yen for the 39th fiscal period and 3 million yen for the 40th fiscal period.</li> </ul>
Non-Operating Expenses	<ul style="list-style-type: none"> <li>As for major non-operating expenses, JPR assumes 737 million yen for the 39th fiscal period and 756 million yen for the 40th fiscal period for interest paid, fees related to loan arrangement, interest expenses on investment corporation bonds and amortization of investment corporation bond issuance costs, etc.</li> </ul>
Interest-Bearing Debt Ratio	<ul style="list-style-type: none"> <li>The ratio of interest-bearing debt to total assets as of February 16, 2021 stands at 40.6%, with interest-bearing debts of 196,520 million yen (comprised of 6,000 million yen in short-term loans payable, 158,020 million yen in long-term loans payable and 32,500 million yen in investment corporation bonds).</li> <li>It is assumed that all interest-bearing debt for which repayment (redemption) dates will arrive during the 39th and 40th fiscal periods will be refinanced.</li> <li>The ratio of interest-bearing debt to total assets is assumed to be 40.6% at the end of the 39th fiscal period and 40.6% at the end of the 40th fiscal period.</li> <li>The following formula is used in calculating the ratio of interest-bearing debt to total assets in this table.  <math display="block">\text{Ratio of interest-bearing debt to total assets} = \frac{\text{Expected total interest-bearing debt}}{\text{Expected total assets}} \times 100</math> </li> </ul>
Total Units Outstanding	<ul style="list-style-type: none"> <li>The total number of investment units issued and outstanding is 958,250 units as of February 16, 2021, and it is assumed that no investment units will be issued.</li> </ul>



Item	Assumptions
Distribution Per Unit	<ul style="list-style-type: none"> <li>• For distribution per unit, it is assumed that all revenues will be distributed based on the distribution methods provided in the Articles of Incorporation.</li> <li>• As for the gain on sale of real estate of 784 million yen JPR expects to record for the 39th fiscal period, it is assumed that the entire amount will be internally reserved as reserve for reduction entry, in application of the Special Provisions for Taxation in Cases of Repurchase of Specified Assets as provided in Article 65-7 of the Act on Special Measures Concerning Taxation, for the purpose of stable management and cash distributions in the future.</li> <li>• As for the distributions for the 40th fiscal period, it is assumed that part (153 million yen) of the reserve for reduction entry will be reversed and distributed.</li> <li>• There is the possibility that the distribution per unit may vary due to various factors including variation of rental revenue due to transfer of assets under management and tenants moving out, and unpredicted repairs and maintenance.</li> </ul>
Exceeding Profit Distribution Per Unit	<ul style="list-style-type: none"> <li>• Distribution of monies exceeding the profit is currently not assumed.</li> </ul>
Others	<ul style="list-style-type: none"> <li>• 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.</li> <li>• It is also assumed that there will be no unexpected material changes in general economic and real estate market conditions.</li> </ul>

## 2. Financial Statements

## (1) Balance Sheets

(Thousands of Yen)

	End of 37th Fiscal Period (Jun. 30, 2020)	End of 38th Fiscal Period (Dec. 31, 2020)
<b>Assets</b>		
<b>Current assets</b>		
Cash and deposits	¥27,126,776	¥28,598,680
Cash and deposits in trust	12,973,691	12,797,488
Operating accounts receivable	289,154	271,574
Prepaid expenses	142,036	130,517
Consumption taxes receivable	172,716	–
Other	15,201	15,050
<b>Total current assets</b>	<b>40,719,576</b>	<b>41,813,311</b>
<b>Noncurrent assets</b>		
Property, plant and equipment		
Buildings	64,616,121	66,826,208
Accumulated depreciation	(19,809,897)	(20,760,217)
Buildings, net	44,806,224	46,065,991
Buildings in trust	95,176,039	95,206,152
Accumulated depreciation	(36,554,181)	(37,264,443)
Buildings in trust, net	58,621,857	57,941,709
Structures	62,220	73,557
Accumulated depreciation	(28,412)	(30,266)
Structures, net	33,807	43,291
Structures in trust	133,739	135,419
Accumulated depreciation	(80,982)	(82,417)
Structures in trust, net	52,757	53,001
Machinery and equipment	838,393	909,004
Accumulated depreciation	(564,455)	(589,358)
Machinery and equipment, net	273,937	319,646
Machinery and equipment in trust	1,929,556	1,932,022
Accumulated depreciation	(1,464,811)	(1,476,358)
Machinery and equipment in trust, net	464,745	455,663
Tools, furniture and fixtures	143,061	170,010
Accumulated depreciation	(71,367)	(79,189)
Tools, furniture and fixtures, net	71,694	90,821
Tools, furniture and fixtures in trust	252,219	279,430
Accumulated depreciation	(178,396)	(184,639)
Tools, furniture and fixtures in trust, net	73,823	94,793
Land	123,264,320	133,341,887
Land in trust	192,157,692	191,547,397
Construction in progress	1,219	1,019
Construction in progress in trust	150	330
<b>Total property, plant and equipment</b>	<b>419,822,228</b>	<b>429,955,550</b>
Intangible assets		
Leasehold right	11,801,831	11,801,831
Other	3,573	3,446
<b>Total intangible assets</b>	<b>11,805,404</b>	<b>11,805,277</b>
Investments and other assets		
Lease and guarantee deposits	612,216	649,549
Long-term prepaid expenses	70,319	166,235
<b>Total investments and other assets</b>	<b>682,536</b>	<b>815,784</b>
<b>Total noncurrent assets</b>	<b>432,310,169</b>	<b>442,576,613</b>
<b>Deferred assets</b>		
Investment corporation bond issuance costs	119,523	153,146
Investment unit issuance expenses	37,540	30,456
<b>Total deferred assets</b>	<b>157,064</b>	<b>183,602</b>
<b>Total assets</b>	<b>¥473,186,809</b>	<b>¥484,573,526</b>

(Thousands of Yen)

	<b>End of 37th Fiscal Period (Jun. 30, 2020)</b>	<b>End of 38th Fiscal Period (Dec. 31, 2020)</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Operating accounts payable	¥2,814,074	¥2,931,209
Short-term loans payable	–	6,000,000
Current portion of long-term loans payable	20,820,000	19,820,000
Accounts payable-other	910,146	1,048,185
Accrued expenses	79,421	88,281
Income taxes payable	605	605
Accrued consumption taxes	136,082	501,994
Advances received	3,048,380	2,977,266
Other	–	302
<b>Total current liabilities</b>	<b>27,808,710</b>	<b>33,367,843</b>
<b>Noncurrent liabilities</b>		
Investment corporation bonds	26,500,000	32,500,000
Long-term loans payable	139,700,000	138,200,000
Tenant leasehold and security deposits	9,378,333	10,100,242
Tenant leasehold and security deposits in trust	13,961,750	14,005,614
<b>Total noncurrent liabilities</b>	<b>189,540,084</b>	<b>194,805,857</b>
<b>Total liabilities</b>	<b>217,348,795</b>	<b>228,173,700</b>
<b>Net assets</b>		
<b>Unitholders' equity</b>		
Unitholders' capital	247,860,796	247,860,796
Surplus		
Voluntary reserve		
Reserve for reduction entry	689,444	689,444
Total voluntary reserve	689,444	689,444
Unappropriated retained earnings (undisposed loss)	7,287,774	7,849,585
Total surplus	7,977,218	8,539,029
<b>Total unitholders' equity</b>	<b>255,838,014</b>	<b>256,399,826</b>
<b>Total net assets</b>	<b>255,838,014</b>	<b>256,399,826</b>
<b>Total liabilities and net assets</b>	<b>¥473,186,809</b>	<b>¥484,573,526</b>

## (2) Statements of Income and Retained Earnings

(Thousands of Yen)

	<b>37th Fiscal Period</b> (Jan. 1, 2020 – Jun. 30, 2020)	<b>38th Fiscal Period</b> (Jul. 1, 2020 – Dec. 31, 2020)
<b>Operating revenue</b>		
Rent revenue-real estate	¥16,363,494	¥16,714,986
Gain on sale of real estate	–	414,931
<b>Total operating revenue</b>	16,363,494	17,129,917
<b>Operating expenses</b>		
Expenses related to rent business	7,436,206	7,611,662
Asset management fee	711,694	768,216
Administrative service and asset custody fees	78,674	82,325
Directors' compensation	4,200	4,200
Trust fees	22,812	21,776
Other operating expenses	96,617	108,676
<b>Total operating expenses</b>	8,350,206	8,596,857
<b>Operating income</b>	8,013,288	8,533,060
<b>Non-operating income</b>		
Interest income	195	200
Income on settlement of management association accounts	21,669	40,720
Insurance income	25,258	4,444
Other	4,088	1,433
<b>Total non-operating income</b>	51,212	46,799
<b>Non-operating expenses</b>		
Interest expenses	543,152	525,756
Borrowing expenses	23,760	24,143
Interest expenses on investment corporation bonds	167,455	171,817
Amortization of investment corporation bond issuance costs	9,988	10,533
Amortization of investment unit issuance expenses	5,537	7,084
Other	37,154	198
<b>Total non-operating expenses</b>	787,050	739,534
<b>Ordinary income</b>	7,277,450	7,840,325
<b>Income before income taxes</b>	7,277,450	7,840,325
<b>Income taxes-current</b>	605	605
<b>Total income taxes</b>	605	605
<b>Net income</b>	7,276,845	7,839,720
<b>Retained earnings brought forward</b>	10,928	9,865
<b>Unappropriated retained earnings (undisposed loss)</b>	¥7,287,774	¥7,849,585

## (3) Statements of Changes in Unitholders' Equity

(Thousands of Yen)

	<b>37th Fiscal Period (Jan. 1, 2020 – Jun. 30, 2020)</b>	<b>38th Fiscal Period (Jul. 1, 2020 – Dec. 31, 2020)</b>
<b>Unitholders' equity</b>		
<b>Unitholders' capital</b>		
Balance at beginning of current period	¥231,653,198	¥247,860,796
Changes of items during the period		
Issuance of units	16,207,597	
Total changes of items during the period	16,207,597	–
Balance at end of current period	247,860,796	247,860,796
<b>Surplus</b>		
Voluntary reserve		
Balance at beginning of current period	689,444	689,444
Changes of items during the period		
Total changes of items during the period	–	–
Balance at end of current period	689,444	689,444
Unappropriated retained earnings (undisposed loss)		
Balance at beginning of current period	6,926,967	7,287,774
Changes of items during the period		
Dividends from surplus	(6,916,039)	(7,277,908)
Net income	7,276,845	7,839,720
Total changes of items during the period	360,806	561,811
Balance at end of current period	7,287,774	7,849,585
Total surplus		
Balance at beginning of current period	7,616,411	7,977,218
Changes of items during the period		
Dividends from surplus	(6,916,039)	(7,277,908)
Net income	7,276,845	7,839,720
Total changes of items during the period	360,806	561,811
Balance at end of current period	7,977,218	8,539,029
<b>Total unitholders' equity</b>		
Balance at the beginning of current period	239,269,610	255,838,014
Changes of items during the period		
Issuance of units	16,207,597	
Dividends from surplus	(6,916,039)	(7,277,908)
Net income	7,276,845	7,839,720
Total changes of items during the period	16,568,404	561,811
Balance at end of current period	255,838,014	256,399,826
<b>Total net assets</b>		
Balance at beginning of current period	239,269,610	255,838,014
Changes of items during the period		
Issuance of units	16,207,597	
Dividends from surplus	(6,916,039)	(7,277,908)
Net income	7,276,845	7,839,720
Total changes of items during the period	16,568,404	561,811
<b>Balance at end of current period</b>	<b>¥255,838,014</b>	<b>¥256,399,826</b>

## (4) Statements of Cash Distributions

	<b>37th Fiscal Period</b> <b>(Jan. 1, 2020 – Jun. 30, 2020)</b>	<b>38th Fiscal Period</b> <b>(Jul. 1, 2020 – Dec. 31, 2020)</b>
I. Unappropriated retained earnings	7,287,774,097 yen	7,849,585,585 yen
II. Distribution amount	7,277,908,750 yen	7,426,437,500 yen
(Distribution amount per unit)	(7,595 yen)	(7,750 yen)
III. Voluntary reserve		
Provision of reserve for reduction entry	–	414,050,403 yen
IV. Retained earnings carried forward	9,865,347 yen	9,097,682 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 7,277,908,750 yen, which is the largest integral multiple of the total number of investment units issued and outstanding (958,250 units) in an amount not in excess of unappropriated retained earnings 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 7,426,437,500 yen, which is the largest integral multiple of the total number of investment units issued and outstanding (958,250 units), from the balance of unappropriated retained earnings after deducting the provision of reserve for reduction entry pursuant to Article 66-2 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)

	<b>37th Fiscal Period</b> (Jan. 1, 2020 – Jun. 30, 2020)	<b>38th Fiscal Period</b> (Jul. 1, 2020 – Dec. 31, 2020)
<b>Net cash provided by (used in) operating activities</b>		
Income before income taxes	¥7,277,450	¥7,840,325
Depreciation and amortization	2,027,993	2,085,621
Amortization of investment corporation bond issuance costs	9,988	10,533
Amortization of investment unit issuance expenses	5,537	7,084
Interest income	(195)	(200)
Interest expenses	710,608	697,573
Decrease (increase) in operating accounts receivable	(42,646)	17,580
Decrease (increase) in consumption taxes receivable	(172,716)	172,716
Decrease (increase) in prepaid expenses	17,368	11,519
Increase (decrease) in operating accounts payable	(178,048)	(84,519)
Increase (decrease) in accounts payable-other	240,609	138,359
Increase (decrease) in accrued consumption taxes	(245,172)	365,911
Increase (decrease) in advances received	25,934	(71,113)
Decrease in property, plant and equipment in trust due to sale	–	1,011,451
Other, net	3,184	(111,233)
Subtotal	9,679,895	12,091,609
Interest income received	195	200
Interest expenses paid	(712,361)	(688,713)
Income taxes (paid) refund	(605)	(605)
Net cash provided by (used in) operating activities	8,967,123	11,402,490
<b>Net cash provided by (used in) investing activities</b>		
Purchase of property, plant and equipment	(14,685,251)	(12,025,561)
Purchase of property, plant and equipment in trust	(4,888,250)	(1,002,768)
Purchase of intangible assets	–	(285)
Payments of lease and guarantee deposits	(21,440)	(37,332)
Repayments of tenant leasehold and security deposits	(73,346)	(192,083)
Proceeds from tenant leasehold and security deposits	1,402,591	913,992
Repayments of tenant leasehold and security deposits in trust	(55,383)	(147,585)
Proceeds from tenant leasehold and security deposits in trust	428,829	206,253
Net cash provided by (used in) investing activities	(17,892,251)	(12,285,370)
<b>Net cash provided by (used in) financing activities</b>		
Proceeds from short-term loans payable	–	6,000,000
Repayment of short-term loans payable	(1,000,000)	–
Proceeds from long-term loans payable	13,000,000	8,500,000
Repayment of long-term loans payable	(10,000,000)	(11,000,000)
Proceeds from issuance of investment corporation bonds	–	5,955,843
Proceeds from issuance of investment units	16,165,436	–
Dividends paid	(6,915,347)	(7,277,262)
Net cash provided by (used in) financing activities	11,250,088	2,178,580
<b>Net changes in cash and cash equivalents</b>	2,324,960	1,295,701
<b>Cash and cash equivalents at beginning of current period</b>	37,775,506	40,100,467
<b>Cash and cash equivalents at end of current period</b>	¥40,100,467	¥41,396,168

## (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 28, 2020).

## (8) Notes to Financial Statements

**Notes to Balance Sheets**

## 1. 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)	
	<b>End of 37th Fiscal Period</b>	<b>End of 38th Fiscal Period</b>
	<b>(as of June 30, 2020)</b>	<b>(as of December 31, 2020)</b>
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

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

	(Thousands of yen)	
	<b>End of 37th Fiscal Period</b>	<b>End of 38th Fiscal Period</b>
	<b>(as of June 30, 2020)</b>	<b>(as of December 31, 2020)</b>
	¥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)	
	<b>37th Fiscal Period</b> <b>(January 1, 2020 –</b> <b>June 30, 2020)</b>	<b>38th Fiscal Period</b> <b>(July 1, 2020 –</b> <b>December 31, 2020)</b>
A. Rent Revenue-Real Estate		
Rent Revenue		
Rents	¥11,965,339	¥12,097,265
Land rents	1,783,500	1,793,000
Common charges	1,554,972	1,519,164
Parking fees	267,620	270,903
Advertising fees	37,179	38,051
Antenna usage fees	27,608	28,626
Other	38,183	41,304
Subtotal	15,674,404	15,788,315
Other rental revenues		
Incidental rent income	620,296	833,557
Time-based parking fees	8,432	8,730
Cancellation charges	9,088	15,300
Income equivalent to expenses for restoration to original condition	21,910	37,722
Other miscellaneous income	29,362	31,359
Subtotal	689,090	926,670
Total rent revenue-real estate	16,363,494	16,714,986
B. Expenses Related to Rent Business		
Outsourcing expenses	¥615,760	¥630,247
Utilities expenses	712,430	841,010
Property and other taxes	2,358,609	2,387,806
Casualty insurance	26,116	26,863
Repairs and maintenance	602,597	558,378
Property management fees	331,402	306,147
Management association accounts	573,621	585,595
Depreciation	2,027,669	2,085,275
Other	187,999	190,339
Total expenses related to rent business	7,436,206	7,611,662
C. Profits for Rent Business (A-B)	8,927,288	9,103,323

## 2. Breakdown of Gain/Loss on Sale of Real Estate

37th fiscal period (January 1, 2020 – June 30, 2020)

No relevant items.

38th fiscal period (July 1, 2020 – December 31, 2020) (Thousands of yen)

JPR Hakata Bldg. (35.0% co-ownership interest)	
Proceeds from sale of real estate	¥1,435,000
Cost of sale of real estate	1,011,451
Other expenses related to sale	8,617
Gain on sale of real estate	414,931

**Notes to Statements of Changes in Unitholders' Equity**

	37th Fiscal Period (January 1, 2020 – June 30, 2020)	38th Fiscal Period (July 1, 2020 – December 31, 2020)
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	958,250 units	958,250 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

The fair value of financial instruments, aside from values based on market price includes values based on reasonable calculations when there is no market price. Certain assumptions are used in calculating those values and there may be cases where the values will vary when different assumptions are used.

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

The following are the carrying values and fair values as of June 30, 2020 of financial instruments, and the difference between these amounts. Please note the following table does not include those for which discerning of fair value is recognized to be extremely difficult (please refer to Note 3).

	(Thousands of yen)		
	Carrying Value (Note 1)	Fair Value (Note 1)	Difference
1) Cash and deposits	¥27,126,776	¥27,126,776	¥-
2) Cash and deposits in trust	12,973,691	12,973,691	-
3) Short-term loans payable	-	-	-
4) Current portion of long-term loans payable	(20,820,000)	(20,896,871)	76,871
5) Investment corporation bonds	(26,500,000)	(27,476,144)	976,144
6) Long-term loans payable	(¥139,700,000)	(¥141,351,070)	¥1,651,070

The following are the carrying values and fair values as of December 31, 2020 of financial instruments, and the difference between these amounts. Please note the following table does not include those for which discerning of fair value is recognized to be extremely difficult (please refer to Note 3).

	(Thousands of yen)		
	Carrying Value (Note 1)	Fair Value (Note 1)	Difference
1) Cash and deposits	¥28,598,680	¥28,598,680	¥-
2) Cash and deposits in trust	12,797,488	12,797,488	-
3) Short-term loans payable	(6,000,000)	(6,000,000)	-
4) Current portion of long-term loans payable	(19,820,000)	(19,879,337)	59,337
5) Investment corporation bonds	(32,500,000)	(33,484,337)	984,337
6) Long-term loans payable	(¥138,200,000)	(¥139,821,962)	¥1,621,962

(Note 1) Liabilities are shown in parentheses.

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

(1) Cash and deposits, and (2) Cash and deposits in trust

As these financial instruments are settled within a short period of time, the fair value is approximately the same as the book value and is thus stated at that book value.

(3) Short-term loans payable

As these financial instruments are settled within a short period of time and have floating interest rates, the estimated fair value is approximately the same as the book value and is thus stated at that book value.

(4) Current portion of long-term loans payable and (6) 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.

(5) 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 (4) and (6) above.

(Note 3) Financial instruments for which discerning of fair value is recognized to be extremely difficult.

Tenant leasehold and security deposits and tenant leasehold and security deposits in trust that are deposited by lessees of lease rental properties are not subject to disclosure of fair value because reasonable estimation of cash flows is recognized to be extremely difficult since there is no market price and also since it is difficult to calculate the actual deposit period from when lessees move in to when they move out. The following is the carrying value of tenant leasehold and security deposits and tenant leasehold and security deposits in trust.

	(Thousands of yen)	
	End of 37th Fiscal Period (as of June 30, 2020)	End of 38th Fiscal Period (as of December 31, 2020)
Tenant leasehold and security deposits	¥9,378,333	¥10,100,242
Tenant leasehold and security deposits in trust	¥13,961,750	¥14,005,614

(Note 4) Scheduled redemption of monetary claims to be due subsequent to June 30, 2020 and December 31, 2020

End of 37th Fiscal Period (as of June 30, 2020)

	(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
Cash and deposits	¥27,126,776	¥-	¥-	¥-	¥-	¥-
Cash and deposits in trust	¥12,973,691	¥-	¥-	¥-	¥-	¥-

End of 38th Fiscal Period (as of December 31, 2020)

	(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
Cash and deposits	¥28,598,680	¥-	¥-	¥-	¥-	¥-
Cash and deposits in trust	¥12,797,488	¥-	¥-	¥-	¥-	¥-

(Note 5) Amount of repayment of short-term loans payable and long-term loans payable or redemption of investment corporation bonds to be due subsequent to June 30, 2020 and December 31, 2020

End of 37th Fiscal Period (as of June 30, 2020)

	(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
Short-term loans payable	¥-	¥-	¥-	¥-	¥-	¥-
Investment corporation bonds	¥-	¥-	¥2,000,000	¥5,000,000	¥3,000,000	¥16,500,000
Long-term loans payable	¥20,820,000	¥20,500,000	¥16,000,000	¥20,000,000	¥21,000,000	¥62,200,000

End of 38th Fiscal Period (as of December 31, 2020)

	(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
Short-term loans payable	¥6,000,000	¥-	¥-	¥-	¥-	¥-
Investment corporation bonds	¥-	¥-	¥2,000,000	¥8,000,000	¥-	¥22,500,000
Long-term loans payable	¥19,820,000	¥18,500,000	¥21,000,000	¥15,000,000	¥23,900,000	¥59,800,000

## Investment and Rental Properties

JPR owns office properties (urban commercial facilities), retail properties (urban retail properties) and urban complex 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)	
	37th Fiscal Period (January 1, 2020 – June 30, 2020)	38th Fiscal Period (July 1, 2020 – December 31, 2020)
Carrying Value on the Balance Sheets		
Balance at Beginning of Period	¥414,502,663	¥431,625,198
Amount of Increase (Decrease) during the Period	¥17,122,534	¥10,133,256
Balance at End of Period	¥431,625,198	¥441,758,455
Fair Value at End of Period	¥538,627,000	¥549,949,000

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

(Note 2) Of the amount of change during the 37th fiscal period, the amount of increase is primarily attributable to the acquisition of JPR Shinsaibashi West (3,794,912 thousand yen) and the acquisition of Sencity Bldg. (14,013,667 thousand yen), and the amount of decrease is primarily attributable to depreciation (2,027,669 thousand yen). Of the amount of change during the 38th fiscal period, the amount of increase is primarily attributable to the acquisition of Otemachi Financial City North Tower (11,541,078 thousand yen), and the amount of decrease is primarily attributable to the sale of JPR Hakata Bldg. (35.0% co-ownership interest) (1,011,451 thousand yen) and depreciation (2,085,275 thousand yen).

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

The income (loss) in the 37th and 38th fiscal periods for investment and rental properties are as presented in the “Notes to Statements of Income and Retained Earnings.”

**Per Unit Information**

(Yen)

	<b>37th Fiscal Period</b> <b>(January 1, 2020 – June 30, 2020)</b>	<b>38th Fiscal Period</b> <b>(July 1, 2020 – December 31, 2020)</b>
Total net assets per unit	¥266,984	¥267,570
Net income per unit	¥7,690	¥8,181

(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 warrants and convertible bonds are outstanding.

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

(Thousands of yen)

	<b>37th Fiscal Period</b> <b>(January 1, 2020 – June 30, 2020)</b>	<b>38th Fiscal Period</b> <b>(July 1, 2020 – December 31, 2020)</b>
Net income	¥7,276,845	¥7,839,720
Amounts not attributable to ordinary unitholders	–	–
Net income attributable to ordinary investment units	¥7,276,845	¥7,839,720
Average number of units	946,241 units	958,250 units

**Subsequent Events**

There are no material subsequent events for the 38th 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 Fiscal Period Results report.

**(9) Changes in Investment Units Issued and Outstanding**

There was no change in the number of units outstanding and unitholders' capital in the 38th 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	
January 24, 2017	Additional public offering	47,600	920,600	20,237	230,632	(Note 1)
February 14, 2017	Third-party allotment	2,400	923,000	1,020	231,653	(Note 2)
March 3, 2020	Additional public offering	35,250	958,250	16,207	247,860	(Note 3)

(Note 1) New investment units were issued through a public offering at 439,040 yen per unit (underwriting price of 425,152 yen per unit) to fund acquisition of new specified assets and partly repay debt.

(Note 2) New investment units were issued through a third-party allotment at 425,152 yen per unit to fund acquisition of new specified assets and partly repay debt.

(Note 3) 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.

### 3. Reference Information

#### (1) JPR's Asset Structure

Asset Type	Category of Investment Area	37th Fiscal Period (as of June 30, 2020)		38th Fiscal Period (as of December 31, 2020)	
		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	86,819,253	18.3	98,288,046	20.3
	Greater Tokyo	73,502,522	15.5	73,476,558	15.2
	Other Cities	19,931,527	4.2	19,900,135	4.1
Real Estate in Trust	Central Tokyo	155,957,161	33.0	155,950,245	32.2
	Greater Tokyo	49,682,380	10.5	49,471,060	10.2
	Other Cities	45,732,351	9.7	44,672,408	9.2
Deposits and Other Assets	–	41,561,611 (–)	8.8 (–)	42,815,071 (–)	8.8 (–)
Total Assets	–	473,186,809 (431,625,198)	100.0 (91.2)	484,573,526 (441,758,455)	100.0 (91.2)

(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 38th 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 <sup>2</sup> )	Total Floor Space (m <sup>2</sup> )	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.	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
		JPR Crest Takebashi Bldg.	Kanda-Nishikicho 3-chome, Chiyoda-ku, Tokyo	636.90	4,790.68	SRC B1/9F	Sep. 1999
		MS Shibaura Bldg.	Shibaura 4-chome Minato-ku, Tokyo	8,992.18	31,020.21	SRC, RC, S B2/13F	Feb. 1988
		Gotanda First Bldg.	Nishi-Gotanda 2-chome, Shinagawa-ku, Tokyo	1,551.19	10,553.34	SRC, RC B2/11F	Jul. 1989
		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	2,217.49	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
		Shibadaiimon Center Bldg.	Shibadaiimon 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	
	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 Sancho 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 <sup>2</sup> )	Total Floor Space (m <sup>2</sup> )	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. (Note 1)	Kitasaiwai 1-chome, Nishi-ku, Yokohama, Kanagawa	1,110.28	8,772.51	SRC B1/9F	May 1981
		Omiya Prime East	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
		Tokyo Tatemono Honmachi Bldg.	Honmachi 3-chome, Chuo-ku, Osaka, Osaka	1,432.64	14,619.52	SRC B3/9F	Feb. 1970
		JPR Hakata Bldg.	Hakataeki-mae 1-chome, Hakata-ku, Fukuoka, Fukuoka	1,214.63	9,828.73	(Office) S, RC B1/12F (Parking) S 1F	(Office) Jun. 1985 (Parking) Nov. 2003 Expanded
		JPR Naha Bldg.	Matsuyama 1-chome, Naha, Okinawa	959.87	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 (Note 2)	Minamisemba 4-chome, Chuo-ku, Osaka, Osaka	1,405.74	7,738.47	SRC B1/8F	Sep. 1986 Feb. 2007 Expanded	
	Retail, etc.	JPR Umeda Loft Bldg.	Chayamachi, Kita-ku, Osaka, Osaka	3,518.68	17,897.56	SRC B1/8F	Apr. 1990
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	

(Note 1) The property was renamed from Tokyo Tatemono Yokohama Bldg. to JPR Yokohama Bldg. as of January 1, 2021.

(Note 2) The property was renamed from Minami Semba Bldg. to JPR Shinsaibashi West as of January 15, 2021.



## 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., Gotanda First 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 Sancho 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., Omiya Prime East, Sencity Bldg., Cupo-la Main Bldg., FUNDES Ueno, Tokyo Tatemono Honmachi Bldg., Sompo Japan Sendai Bldg., Sompo Japan Wakayama Bldg., Tenjin 121 Bldg., JPR Dojima Bldg., Yakuin Business Garden, JPR Shinsaibashi West
Tanizawa Sogo Appraisal Co., Ltd.	JPR Jingumae 432, Kawasaki Dice Bldg., Niigata Ekinan Center Bldg., JPR Hakata 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 Crest Takebashi Bldg., 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 Umeda Loft Bldg.

- 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 38th 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	3.5	14,900	2.7
		Kanematsu Bldg. Annex	Dec. 27, 2001	2,874	0.6	3,520	0.6
		JPR Ningyo-cho Bldg.	Nov. 16, 2001	2,100	0.4	2,900	0.5
		Shin-Kojimachi Bldg.	Nov. 16, 2001	1,670	0.5	4,270	0.8
			Nov. 21, 2002	550			
			Nov. 12, 2004	200			
		JPR Crest Takebashi Bldg.	Jun. 21, 2002	4,000	0.9	3,780	0.7
		MS Shibaura Bldg.	Mar. 28, 2003	11,200	2.4	15,300	2.8
		Gotanda First Bldg.	Jul. 23, 2003	2,920	0.6	4,170	0.8
		JPR Ichigaya Bldg.	May 28, 2004	5,100	1.1	4,850	0.9
		Oval Court Ohsaki Mark West	Jun. 1, 2004	3,500	0.7	5,430	1.0
		Shinjuku Square Tower	Jul. 2, 2004	10,000	3.2	14,700	2.7
			Sep. 26, 2008	180			
			Mar. 25, 2015	4,000			
			Oct. 21, 2015	786			
		BYGS Shinjuku Bldg.	Nov. 9, 2004	2,900	3.2	20,000	3.6
			Apr. 12, 2005	8,921			
			Jul. 13, 2010	3,300			
		Across Shinkawa Bldg. Annex	Nov. 26, 2004	710	0.2	779	0.1
		Shinjuku Center Bldg.	Mar. 27, 2008	21,000	4.5	17,900	3.3
		Minami Azabu Bldg.	Jul. 14, 2008	3,760	0.8	3,160	0.6
		Shinagawa Canal Bldg.	Dec. 19, 2008	1,870	0.4	2,410	0.4
			Mar. 8, 2019	171			
		Rokubancho Bldg.	Dec. 2, 2009	2,800	0.6	3,500	0.6
		JPR Harajuku Bldg.	Dec. 25, 2009	8,400	1.8	10,500	1.9
		JPR Nihonbashi-horidome Bldg.	Mar. 31, 2010	5,100	1.1	6,840	1.2
		JPR Sendagaya Bldg.	May 31, 2010	15,050	3.2	11,900	2.2
		Ginza Sanwa Bldg.	Aug. 29, 2011	3,400	0.7	3,690	0.7
		Otemachi Tower (Land with Leasehold Interest)	Mar. 13, 2012	36,000	7.7	51,800	9.4
	Science Plaza-Yonbancho Plaza	Dec. 6, 2013	2,660	0.6	3,310	0.6	
	Shibadaimon Center Bldg.	Dec. 6, 2013	3,420	0.9	6,180	1.1	
		Jul. 30, 2014	800				
	Tokyo Square Garden	Feb. 1, 2017	9,200	3.9	21,300	3.9	
Apr. 4, 2017		9,200					
JPR Kojimachi Bldg.	Jun. 27, 2019	5,750	1.2	6,440	1.2		
Otemachi Financial City North Tower	Dec. 24, 2020	11,400	2.4	11,900	2.2		
Retail, etc.	JPR Shibuya Tower Records Bldg.	Jun. 30, 2003	12,000	2.6	14,100	2.6	
	JPR Jingumae 432	Mar. 24, 2006	4,275	0.9	4,250	0.8	
	Shinjuku Sanhome East Bldg.	Mar. 14, 2007	540	0.6	2,710	0.5	
		Apr. 24, 2008	2,200				
	Yurakucho Ekimae Bldg. (Yurakucho Itocia)	Aug. 27, 2008	3,400	0.7	3,260	0.6	
	JPR Ginza Namiki-dori Bldg.	Dec. 15, 2016	10,100	2.2	11,000	2.0	
FUNDES Suidobashi	Dec. 15, 2016	3,250	0.7	3,480	0.6		
Subtotal of Central Tokyo				256,933	55.0	294,229	53.5

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	1.3	6,930	1.3
		JPR Chiba Bldg.	Dec. 13, 2001	2,350	0.5	1,820	0.3
		JPR Yokohama Nihon Odori Bldg.	Nov. 16, 2001	2,927	0.6	2,340	0.4
		Shinyokohama 2nd Center Bldg.	Sep. 25, 2002	920	0.3	2,350	0.4
			Mar. 28, 2013	570			
		Kawaguchi Center Bldg.	Feb. 13, 2004	8,100	1.7	10,000	1.8
		JPR Ueno East Bldg.	Mar. 1, 2004	3,250	0.7	5,400	1.0
		Tachikawa Business Center Bldg.	Sep. 30, 2005	888	0.7	4,470	0.8
			Feb. 28, 2007	2,300			
		Rise Arena Bldg.	Mar. 22, 2007	5,831	1.2	9,890	1.8
		Yume-ooka Office Tower	Jul. 10, 2007	6,510	1.4	7,220	1.3
		Olinas Tower	Jun. 29, 2009	31,300	6.7	40,100	7.3
		JPR Yokohama Bldg.	Dec. 27, 2010	7,000	1.5	9,720	1.8
	Omiya Prime East	Mar. 22, 2013	6,090	1.3	9,660	1.8	
	Sencity Bldg.	Mar. 27, 2020	13,870	3.0	14,500	2.6	
	Retail, etc.	Tanashi ASTA	Nov. 16, 2001	10,200	2.2	11,000	2.0
		Cupo-la Main Bldg.	Mar. 31, 2006	2,100	0.4	2,970	0.5
		JPR Musashikosugi Bldg.	Sep. 28, 2006	7,254	1.6	5,540	1.0
		Musashiurawa Shopping Square	Mar. 19, 2007	4,335	0.9	4,300	0.8
		Kawasaki Dice Bldg.	Apr. 12, 2007	15,080	3.2	16,300	3.0
FUNDES Ueno		Jun. 27, 2019	3,800	0.8	4,000	0.7	
Subtotal of Greater Tokyo				140,555	30.1	168,510	30.6
Other Cities	Office	Niigata Ekinan Center Bldg.	Nov. 16, 2001	2,140	0.5	2,260	0.4
		Tokyo Tatemono Honmachi Bldg.	Nov. 16, 2001	4,150	0.9	3,610	0.7
		JPR Hakata Bldg. (Note)	Nov. 16, 2001	1,885	0.4	2,580	0.5
		JPR Naha Bldg.	Nov. 16, 2001	1,560	0.3	2,170	0.4
		Sompo Japan Sendai Bldg.	Jun. 26, 2002	3,150	0.7	4,680	0.9
		Sompo Japan Wakayama Bldg.	Jun. 26, 2002	1,670	0.4	1,660	0.3
		Tenjin 121 Bldg.	Jun. 21, 2002	2,810	0.6	3,680	0.7
		JPR Dojima Bldg.	Jan. 23, 2004	2,140	0.5	3,560	0.6
		JPR Nagoya Fushimi Bldg.	Mar. 22, 2005	4,137	0.9	3,370	0.6
		Yakuin Business Garden	Aug. 8, 2012	10,996	2.4	20,600	3.7
		JPR Shinsaibashi Bldg.	May 30, 2005	5,430	1.2	4,650	0.8
	JPR Shinsaibashi West	Jan. 30, 2020	3,750	0.8	4,180	0.8	
	Retail, etc.	JPR Umeda Loft Bldg.	May 15, 2003	8,000	2.8	14,200	2.6
			Jul. 16, 2003	5,000			
		Housing Design Center Kobe	Sep. 28, 2005	7,220	1.5	7,640	1.4
JPR Chayamachi Bldg.		Aug. 30, 2006	6,000	1.3	8,370	1.5	
Subtotal of Other Cities				70,038	15.0	87,210	15.9
Total				467,526	100.0	549,949	100.0

(Note) For JPR Hakata Bldg., JPR sold its 35.0% co-ownership interest of the trust beneficiary interest in real estate on December 24, 2020. Accordingly, the acquisition price indicates the amount equivalent to 65.0% co-ownership interest JPR owns as of the end of the 38th fiscal period.

## (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 38th 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 38th fiscal period	Amount Already Paid
Kanematsu Bldg.	Chuo-ku, Tokyo	1st through 2nd phases of replacement of toilets on standard floors and corridors and ceilings in common areas	Oc. 2020 – Dec. 2021	225	–	–
BYGS Shinjuku Bldg.	Shinjuku-ku, Tokyo	1st through 2nd phases of repair of common areas on 2nd basement floor through 1st floor	Feb. 2021 – Oct. 2021	192	–	–
BYGS Shinjuku Bldg.	Shinjuku-ku, Tokyo	1st through 3rd phases of reinforcement of elevators	Oct. 2020 – Dec. 2021	161	–	–
JPR Shinsaibashi West	Osaka, Osaka	1st through 2nd phases of replacement of toilets	Feb. 2021 – Dec. 2021	134	–	–
Tokyo Tatemono Honmachi Bldg.	Osaka, Osaka	Replacement of distribution boards and replacement of lighting equipment with LED lamps on 5th and 8th floors	Feb. 2021 – Jan. 2022	84	–	–
Sencity Bldg.	Chiba, Chiba	Replacement of toilets in the West Building	Feb. 2021 – Mar. 2021	78	–	–
Tokyo Tatemono Honmachi Bldg.	Osaka, Osaka	1st through 2nd phases of adoption of VAV (variable air volume) system on 5th and 8th floors	Feb. 2021 – Dec. 2021	66	–	–
Rise Arena Bldg.	Toshima-ku, Tokyo	Replacement of lighting equipment with LED lamps on 1st floor and 6th through 14th floors	Jul. 2020 – Jan. 2021	56	–	–
Housing Design Center Kobe	Kobe, Hyogo	1st through 3rd phases of replacement of substation facilities	Aug. 2020 – Dec. 2021	53	5	5
JPR Chiba Bldg.	Chiba, Chiba	2nd phase of reinforcement of elevators	Dec. 2020 – Feb. 2021	50	–	–
JPR Yokohama Bldg.	Yokohama, Kanagawa	Repair of exterior walls and work on exterior signboards	Nov. 2020 – Feb. 2021	47	–	–
Shinjuku Center Bldg.	Shinjuku-ku, Tokyo	Replacement of piping equipment	Feb. 2021 – Jun. 2021	42	–	–
Yakuin Business Garden	Fukuoka, Fukuoka	Replacement of lighting equipment with LED lamps on 2nd through 14th floors	Mar. 2021 – Jun. 2021	35	–	–
JPR Sendagaya Bldg.	Shibuya-ku, Tokyo	Replacement of lighting equipment with LED lamps on 3rd floor and 5th through 8th floors	Feb. 2021 – Jun. 2021	30	–	–

## 2) Capital Expenditures during the 38th Fiscal Period

The following are the capital expenditure amounts JPR invested in real estate and real estate in trust during the 38th 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 571 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	Repair of exterior walls	Jul. 2020 – Dec. 2020	338
JPR Nagoya Fushimi Bldg.	Nagoya, Aichi	Replacement of outdoor mechanical parking systems	Dec. 2019 – Jul. 2020	66
JPR Harajuku Bldg.	Shibuya-ku, Tokyo	Renovation of the entrance hall	Sep. 2020 – Dec. 2020	56
JPR Ichigaya Bldg.	Chiyoda-ku, Tokyo	Replacement of air conditioning units	Feb. 2020 – Oct. 2020	43
MS Shibaura Bldg.	Minato-ku, Tokyo	Replacement of lighting equipment with LED lamps on 3rd and 4th floors	Oct. 2020 – Dec. 2020	40
BYGS Shinjuku Bldg.	Shinjuku-ku, Tokyo	1st phase of reinforcement of elevators	Jun. 2020 – Sep. 2020	33
JPR Ningyo-cho Bldg.	Chuo-ku, Tokyo	Reinforcement of elevators	Apr. 2020 – Nov. 2020	33
Other capital expenditures		Replacement of air conditioning units, repair of common areas, replacement of lighting equipment with LED lamps, etc.		1,042
Total				1,654

(Note) Expenditures for repair and maintenance included 12 million yen of construction management fees paid to construction management companies as well as the amounts for repair and maintenance constructions themselves.

## (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 38th fiscal period.

## &lt;Property Name: Otemachi Tower (Land with Leasehold Interest)&gt;

Total Number of Tenants	2	
Rental Revenues	1,793,000 thousand yen	
Percentage to Total Rental Revenues (Note 1)	10.7%	
Total Leased Floor Space (Note 2)	11,034.78m <sup>2</sup>	
Total Leasable Floor Space (Note 2)	11,034.78m <sup>2</sup>	
Changes in Occupancy Rate in Last 5 years (Note 1)	December 31, 2020	100.0%
	June 30, 2020	100.0%
	December 31, 2019	100.0%
	June 30, 2019	100.0%
	December 31, 2018	100.0%
	June 30, 2018	100.0%
	December 31, 2017	100.0%
	June 30, 2017	100.0%
	December 31, 2016	100.0%
	June 30, 2016	100.0%

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

(Note 2) The total leased floor space and total leasable floor space are those as of the end of the 38th fiscal period (December 31, 2020).

## (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, 2016	62	661	476,345.81m <sup>2</sup>	98.1%
December 31, 2016	63	679	477,249.40m <sup>2</sup>	98.6%
June 30, 2017	62	730	477,972.54m <sup>2</sup>	98.0%
December 31, 2017	62	745	478,169.25m <sup>2</sup>	98.5%
June 30, 2018	62	747	478,117.02m <sup>2</sup>	98.8%
December 31, 2018	62	747	478,088.25m <sup>2</sup>	99.2%
June 30, 2019	63	757	480,277.86m <sup>2</sup>	98.6%
December 31, 2019	63	760	480,284.17m <sup>2</sup>	99.6%
June 30, 2020	65	851	499,269.77m <sup>2</sup>	99.7%
July 31, 2020	65	851	499,269.77m <sup>2</sup>	99.4%
August 31, 2020	65	849	499,269.68m <sup>2</sup>	99.4%
September 30, 2020	65	851	499,269.68m <sup>2</sup>	99.5%
October 31, 2020	65	852	499,269.68m <sup>2</sup>	99.3%
November 30, 2020	65	849	499,274.72m <sup>2</sup>	99.4%
December 31, 2020	66	857	501,162.78m <sup>2</sup>	99.3%

(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 38th fiscal period, as well as the total rental income for the 38th fiscal period.

Total Number of Tenants	857
Total Leased Floor Space	497,674.76m <sup>2</sup>
Total Leasable Floor Space	501,162.78m <sup>2</sup>
Total Rental Income	16,714,986 thousand yen

## 2) Overview of Lease Status for Respective Properties

Area	Type	Property Name	38th Fiscal Period (July 1, 2020 - December 31, 2020)					
			Information on Period End Floor Space, Etc.				Rental Revenues	
			Total Leasable Floor Space (m <sup>2</sup> )	Total Leased Floor Space (m <sup>2</sup> )	No. of Tenants (Note 1)	Occupancy Rate (%)	(thousands of yen)	Ratio (%)
Central Tokyo	Office	Kanematsu Bldg.	8,090.42	8,090.42	11	100.0	404,014	2.4
		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	94,479	0.6
		Shin-Kojimachi Bldg.	3,319.37	3,319.37	17	100.0	118,937	0.7
		JPR Crest Takebashi Bldg.	3,265.34	3,265.34	8	100.0	127,538	0.8
		MS Shibaura Bldg.	14,468.38	14,468.38	10	100.0	488,434	2.9
		Gotanda First Bldg.	4,241.22	4,241.22	2	100.0	134,832	0.8
		JPR Ichigaya Bldg.	4,240.37	4,240.37	10	100.0	157,568	0.9
		Oval Court Ohsaki Mark West	4,088.44	4,088.44	2	100.0	204,464	1.2
		Shinjuku Square Tower	19,266.38	18,781.48	22	97.5	432,789	2.6
		BYGS Shinjuku Bldg.	15,227.80	14,966.94	22	98.3	624,120	3.7
		Across Shinkawa Bldg. Annex	1,253.39	1,253.39	4	100.0	37,214	0.2
		Shinjuku Center Bldg.	8,865.71	8,688.66	36	98.0	536,263	3.2
		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	74,225	0.4
		Rokubancho Bldg.	2,488.36	2,488.36	1	100.0	(Note 2)	(Note 2)
		JPR Harajuku Bldg.	4,761.51	4,761.51	9	100.0	307,999	1.8
		JPR Nihonbashi-horidome Bldg.	5,299.88	5,299.88	5	100.0	190,859	1.1
		JPR Sendagaya Bldg.	6,177.74	6,177.74	6	100.0	271,080	1.6
		Ginza Sanwa Bldg.	1,896.69	1,745.23	8	92.0	109,691	0.7
		Otemachi Tower (Land with Leasehold Interest)	11,034.78	11,034.78	2	100.0	1,793,000	10.7
		Science Plaza-Yonbancho Plaza	3,325.29	3,325.29	25	100.0	116,731	0.7
		Shibadaimon Center Bldg.	5,401.46	4,552.68	8	84.3	186,315	1.1
		Tokyo Square Garden	5,971.73	5,971.73	46	100.0	396,152	2.4
		JPR Kojimachi Bldg.	3,493.67	3,493.67	6	100.0	154,583	0.9
		Otemachi Financial City North Tower	4,191.96	4,089.00	9	97.5	17,960	0.1
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	1,027.33	7	100.0	87,086	0.5
		Shinjuku Sanhome 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.	1,665.79	1,665.79	9	100.0	210,970	1.3
		FUNDES Suidobashi	1,367.56	1,192.77	5	87.2	87,803	0.5
Greater Tokyo	Office	Arca East	7,022.76	7,022.76	6	100.0	272,083	1.6
		JPR Chiba Bldg.	5,540.91	5,409.18	39	97.6	139,250	0.8
		JPR Yokohama Nihon Odori Bldg.	6,079.74	6,079.74	19	100.0	131,099	0.8
		Shinyokohama 2nd Center Bldg.	5,284.75	5,122.98	20	96.9	109,683	0.7
		Kawaguchi Center Bldg.	15,503.27	15,503.27	44	100.0	472,480	2.8
		JPR Ueno East Bldg.	6,454.84	6,454.84	10	100.0	182,630	1.1
		Tachikawa Business Center Bldg.	4,588.89	4,588.89	23	100.0	154,558	0.9



Greater Tokyo	Office	Rise Arena Bldg.	6,023.39	6,023.39	1	100.0	(Note 2)	(Note 2)
		Yume-ooka Office Tower	11,998.77	11,998.77	43	100.0	352,492	2.1
		Olinas Tower	23,987.40	23,987.40	16	100.0	1,029,571	6.2
		JPR Yokohama Bldg.	6,493.99	6,409.01	21	98.7	294,517	1.8
		Omiya Prime East	6,871.45	6,871.45	4	100.0	293,872	1.8
		Sencity Bldg.	13,271.20	13,271.20	72	100.0	516,454	3.1
	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	14,960.69	14,960.69	3	100.0	127,041	0.8
		Kawasaki Dice Bldg.	12,106.71	12,106.71	31	100.0	511,164	3.1
		FUNDES Ueno	1,989.66	1,989.66	10	100.0	119,213	0.7
Other Cities	Office	Niigata Ekinan Center Bldg.	5,327.50	5,327.50	10	100.0	123,857	0.7
		Tokyo Tatemono Honmachi Bldg.	7,132.22	6,725.55	8	94.3	153,332	0.9
		JPR Hakata Bldg.	4,278.67	4,231.68	41	98.9	173,319	1.0
		JPR Naha Bldg.	3,945.18	3,863.93	20	97.9	112,129	0.7
		Sompo Japan Sendai Bldg.	7,129.14	7,108.41	15	99.7	193,190	1.2
		Sompo Japan Wakayama Bldg.	4,876.35	4,876.35	17	100.0	108,818	0.7
		Tenjin 121 Bldg.	3,257.07	3,257.07	15	100.0	124,999	0.7
		JPR Dojima Bldg.	3,918.28	3,610.13	11	92.1	125,481	0.8
		JPR Nagoya Fushimi Bldg.	7,086.37	7,054.19	5	99.5	154,214	0.9
		Yakuin Business Garden	16,654.33	16,644.71	15	99.9	581,125	3.5
		JPR Shinsaibashi Bldg.	4,021.63	4,021.63	9	100.0	131,809	0.8
	JPR Shinsaibashi West	5,695.71	5,692.56	13	99.9	138,004	0.8	
	Retail, etc.	JPR Umeda Loft Bldg.	18,586.97	18,586.97	1	100.0	(Note 2)	(Note 2)
		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	181,311	1.1	
Total			501,162.78	497,674.76	857	99.3	16,714,986	100.0

(Note 1) The number of tenants at end of period is counted as follows except for Shinjuku Square Tower, Shinjuku Center Bldg., Residential part of Science Plaza-Yonbancho Plaza, Tokyo Square Garden, Otemachi Financial City North Tower, Rise Arena Bldg., Sencity Bldg. and Kawasaki Dice Bldg.: 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, Rise Arena Bldg., Sencity Bldg. and Kawasaki Dice Bldg. 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.

(Note 2) JPR does not disclose the rental revenues and their ratio of the properties due to inevitable reasons, as JPR has not been able to obtain consent from the tenants or co-owners, etc. as to 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, 2020.

Rank	Tenant	Property Name	Leased Floor Space at End of Period (m <sup>2</sup> ) (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. Tokyo Tatemono Honmachi Bldg.	49,652.69	10.0%
2	ABC Development Corporation	Housing Design Center Kobe	35,444.13	7.1%
3	Seiyu GK	Tanashi ASTA	31,121.71	6.2%
4	Ito-Yokado Co., Ltd.	JPR Musashikosugi Bldg.	19,740.95	4.0%
5	Taisei-Yuraku Real Estate Co., Ltd.	Rise Arena Bldg. Sencity Bldg.	19,534.26	3.9%
6	The LOFT Co., Ltd.	JPR Umeda Loft Bldg.	18,586.97	3.7%
7	Olympic Group Corporation	Musashiurawa Shopping Square	9,558.51	1.9%
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	Sompo Japan Insurance Inc.	Kawaguchi Center Bldg. Sompo Japan Sendai Bldg. Sompo Japan Wakayama Bldg.	7,279.46	1.5%

(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 (498,968.98m<sup>2</sup>).