

Translation

Japan Prime Realty Investment Corporation
Financial Report for the 36th Fiscal Period Results (July 1, 2019 – December 31, 2019)

February 14, 2020

REIT Securities Issuer: Japan Prime Realty Investment Corporation Listing: Tokyo Stock Exchange
 Securities Code: 8955 URL: <http://www.jpr-reit.co.jp/>
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1. Financial Results for the 36th Fiscal Period (July 1, 2019 – December 31, 2019)

[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, 2019	16,005	(0.6)	7,684	(3.4)	6,915	(4.2)	6,914	(4.2)
June 30, 2019	16,101	2.9	7,954	4.9	7,216	6.7	7,216	6.7

	Net Income per Unit (EPU)	Net Income / Net Assets	Ordinary Income / Total Assets	Ordinary Income / Operating Revenues
For the six months ended	yen	%	%	%
December 31, 2019	7,491	2.9	1.5	43.2
June 30, 2019	7,818	3.0	1.6	44.8

(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
For the six months ended	yen	million yen	yen	million yen	%	%
December 31, 2019	7,493	6,916	–	–	100.0	2.9
June 30, 2019	7,380	6,811	–	–	94.3	2.9

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

(Note 2) The difference between the distribution amount and net income for the six months ended June 30, 2019 is attributable to the fact that part of the retained earnings (405 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
As of	million yen	million yen	%	yen
December 31, 2019	453,467	239,269	52.8	259,230
June 30, 2019	452,366	239,166	52.9	259,118

(4) Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
For the six months ended	million yen	million yen	million yen	million yen
December 31, 2019	9,383	(1,025)	(6,849)	37,775
June 30, 2019	14,527	(10,555)	(2,761)	36,267

2. Forecasts for the 37th Fiscal Period Ending June 30, 2020 (January 1, 2020 – June 30, 2020) and the 38th Fiscal Period Ending December 31, 2020 (July 1, 2020 – December 31, 2020)

[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
37th Fiscal Period Ending June 30, 2020	16,439	2.7	7,989	4.0	7,287	5.4	7,286	5.4	7,590	–
38th Fiscal Period Ending December 31, 2020	16,797	2.2	8,166	2.2	7,412	1.7	7,411	1.7	7,720	–

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

37th fiscal period ending June 30, 2020: 7,590 yen

38th fiscal period ending December 31, 2020: 7,720 yen

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, 2019: 923,000 units As of June 30, 2019: 923,000 units
(b) Number of treasury units at end of period
As of December 31, 2019: 0 units As of June 30, 2019: 0 units

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

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

* Special note

The forecasts for the 37th fiscal period ending June 30, 2020 and the 38th fiscal period ending December 31, 2020 are calculated as of February 14, 2020 based on the assumptions described on page 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 14, 2020. 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 (securities code: 8955) 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 923,000 units as of the end of the 36th fiscal period (December 31, 2019). 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.

As of September 5, 2019, amendments were made to the Articles of Incorporation of JPR and the internal rules of TRIM (JPR Asset Management Guidelines) in order to add hotels to the investment targets of JPR (hereinafter, retail properties and hotels collectively referred to as “retail properties, etc.”).

b) Management Environment

Looking at the Japanese economy in the 36th fiscal period, although corporate earnings remained at a high level, exports and production were on a weak note and certain industries took a cautious stance on the business outlook, with a decrease in corporate earnings in some areas mainly in the manufacturing industry. Meanwhile, capital investment kept a modest upward trend, and consumer spending showed a pickup under the solid employment and income environment. As such, the Japanese economy continued to witness a moderate recovery. The overseas economy also continued to stay on a mild recovery path, although political and economic risk factors including trade issues still exist nonetheless and the pace of recovery has somewhat slowed.

The Office Property Leasing Market

The supply and demand conditions in the office property leasing market remained tight as new demand for such positive development as setting up new offices, expanding the office spaces and moving to better locations continued to be strong. The upward trend of the rent levels for new contracts also continued, although at a moderate pace.

The Retail Property Leasing Market

The need of tenants to open stores remained strong for urban retail properties which JPR targets for investment. Consumption by inbound foreign tourists also remained largely stable and the leasing market for urban retail properties continued to stay in good shape in good locations, such as Ginza, Omotesando and Shinsaibashi.

The For-Sale Real Estate Market

In the for-sale real estate market, investors remain highly willing to purchase properties while blue-chip properties, JPR’s investment targets, are in short supply. With low-yield transactions continuing to prevail, the acquisition environment remains harsh. Accordingly, investors continue to look for ways to effectively acquire properties, such as 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 retail properties, etc. and office properties in regional cities, 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 36th fiscal period, JPR investigated possible investments primarily in office properties in the Tokyo area, but no acquisition was closed and completed. As of the end of December 31, 2019, the balance of JPR’s assets under management totaled 63 properties, or 439.5 billion yen on an acquisition price basis, with the total leasable floor space standing at 480,284m² and the number of tenants at 760.

Operational Management of Portfolio

In the office property leasing market in the 36th fiscal period, the vacancy rate stayed at a low level, given a more advanced improvement in the supply and demand balance in Tokyo and other areas. 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 enhancing earnings from the entire portfolio and improving its occupancy rate. As a result of these efforts, the occupancy rate at the end of the 36th fiscal period increased 1.0 points period-on-period to 99.6%.

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, 2019, JPR acquired the DBJ Green Building Certification*¹ for 16 properties and the CASBEE for Building Certification*² for 7 properties (including 2 newly certified 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*³ Real Estate Assessment (the survey conducted in 2019), marking the sixth 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.

*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 GRESB, which stands for Global Real Estate Sustainability Benchmark, is a benchmark system for analyzing and evaluating sustainability of real estate companies, REITs and real estate private placement funds, in terms of environmental friendliness and social nature. It is based on surveys conducted by a group of the same name composed of more than 60 organizations worldwide such as European pension asset managers.

Fund Procurement

JPR is engaged in debt financing with more 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. In the 36th fiscal period, JPR borrowed 13.0 billion yen (excluding short-term debts) to fund the refinance of interest-bearing debts that matured during the fiscal period. The average maturity of and the average interest on the new interest-bearing debts stood at 8.4 years and 0.48%, respectively, in contrast to 6.5 years and 0.93% for the relevant interest-bearing debts before refinancing.

As of the end of the 36th fiscal period, the balance of interest-bearing debts totaled 185.0 billion yen, with balance of borrowings of 158.5 billion yen and balance of investment corporation bonds of 26.5 billion yen. The ratio of interest-bearing debt to total assets (Note 1) was 40.8%, long-term and fixed interest-bearing debt ratio (Note 2) was 99.5%, average debt cost (Note 3) was 0.80% 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 36th fiscal period.

Details of Corporate Credit Ratings as of December 31, 2019

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 36th 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 16,005 million yen, ordinary income of 6,915 million yen and net income of 6,914 million yen for its 36th fiscal period ended December 31, 2019. With regard to the cash distributions, JPR decided to distribute part of the retained earnings brought forward that had been internally reserved through the 35th 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. As a result, the cash distribution per unit came to 7,493 yen for the 36th fiscal period.

2) Forecast for the Next Fiscal Period

a) Outlook for Management Status

Looking ahead, the Japanese economy is anticipated to recover moderately, given continued improvements in the employment and income environments and supported by the effects of various policies. However, attention should be paid to the outcome of trade issues, uncertainty in overseas economies including the outlook of the Chinese economy and the U.K. leaving the EU, fluctuations in the financial and capital markets under the influence of the Western monetary policies, and the impact of the consumption tax rate hike conducted in October 2019.

In the office property leasing market, new supply in the 23 wards of Tokyo is expected to increase in 2020. However, as leasing of newly-constructed buildings continues to be strong, the market situation in general is likely to stay in good shape. In this regard, JPR believes it will be able to fully enjoy the positive impact of the good market situation as it has focused on improving tenant satisfaction through proactive implementation of value enhancement works and provision of elaborate management services. When conducting real estate transactions in the for-sale real estate market that continues to appear overheated, it will become even more important to discern the growth potential in earnings of respective properties. Considering the situation in which cap rates are decreasing in a low interest rate environment, 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. Given the briskness in the office property leasing market, the for-sale real estate market sees a decrease in purchase cap rate and expected cap rate levels. Moreover, with properties remaining in short supply, there are deals closed at prices that have factored in lower cap rates and rent increases. However, JPR will fully investigate the stability and growth potential of such 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. JPR will strive to acquire new properties under reasonable terms by negotiating prices based on detailed market studies and property due diligence in considering properties.

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, Sompo Japan Nipponkoa Insurance Inc. 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 in a prudent manner, while 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 on the assumption of a favorable leasing market 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

Issuance of new investment units

JPR resolved at its Board of Directors meeting held on February 14, 2020 to issue new investment units, as outlined below. The issue price (offer price) and other conditions will be determined at the Board of Directors meetings to be held later.

[Issuance of new investment units through public offering (primary offering)]

Number of new investment units to be issued: 35,250 units

Payment date: Any day from March 3, 2020 to March 6, 2020

[Issuance of new investment units through third-party allotment]

Number of new investment units to be issued (maximum): 1,750 units

Allottee: Mizuho Securities Co., Ltd.

Payment date: March 24, 2020

The new investment units to be issued through third-party allotment may not be subscribed for in part or in whole and, as a result, the final number of units to be issued through third-party allotment may be reduced to the same extent, or the issuance itself may be cancelled, through forfeiture.

<Reference Information>

Property Acquisition

After the settlement date, JPR acquired a property and concluded a purchase agreement to acquire another property, as described below.

<Minami Semba Bldg.>

Property overview

Location:	11-28 Minamisemba 4-chome, Chuo-ku, Osaka
Type of ownership:	Land: Ownership Building: Ownership
Site area:	1,405.74m ²
Total floor space:	7,738.47m ²
Structure/floors:	SRC with flat roof, B1/8F
Completed:	September 1986
Number of tenants;	13
Total leasable floor space:	5,695.71m ²
Total leased floor space:	5,692.56m ²
Occupancy rate:	99.9%

Transaction terms and conditions

Purchase price:	3,750 million yen
Asset type:	Beneficiary interest
Contract date:	January 28, 2020
Acquisition date:	January 30, 2020

(Note) Number of tenants, total leasable floor space, total leased floor space and occupancy rate indicate the figures as of the acquisition date.

<Sencity Bldg.>

Property overview

Location:	1000, Shinmachi, Chuo-ku, Chiba-shi, Chiba, etc.
Type of ownership:	Land: Ownership (co-ownership: 11.1%) Building: Sectional ownership
Site area:	20,054.15m ² (equivalent to co-ownership interest: 2,226.85m ²)
Total floor space:	158,663.55m ² (floor space of the co-ownership to be acquired: 13,290.06m ²)
Structure/floors:	S/SRC with flat roof, B2/23F
Completed:	April 1993
Number of tenants;	71
Total leasable floor space:	13,212.98m ²
Total leased floor space:	13,097.22m ²
Occupancy rate:	99.1%

Transaction terms and conditions

Purchase price:	13,870 million yen
Asset type:	Real estate
Contract date:	February 14, 2020
Planned acquisition date:	March 27, 2020

(Note 1) Number of tenants, total leasable floor space, total leased floor space and occupancy rate indicate the figures as of the contract date.

(Note 2) Number of tenants indicates the number of the sublessees to whom Taisei-Yuraku Real Estate Co., Ltd., the lessee, will sublease. Furthermore, JPR will lease the sections to be acquired on the lower floors (from the 1st basement floor to the 4th floor) and the upper floors (from the 5th floor to the 23rd floor) of the property to Taisei-Yuraku Real Estate Co., Ltd. in a lump sum, and Taisei-Yuraku Real Estate Co., Ltd. will sublease the sections to be subleased to sublessees.

(Note 3) Total leasable floor space and total leased floor space indicates the planned figures on the sublease agreement regarding the office and store portions.

b) Outlook for Management Status (Operating Results)

JPR expects the following management status in the 37th fiscal period (from January 1, 2020 to June 30, 2020) and the 38th fiscal period (from July 1, 2020 to December 31, 2020).

	37th Fiscal Period	38th Fiscal Period
Operating revenues	16,439 million yen	16,797 million yen
Operating income	7,989 million yen	8,166 million yen
Ordinary income	7,287 million yen	7,412 million yen
Net income	7,286 million yen	7,411 million yen
Distribution per unit	7,590 yen	7,720 yen
Exceeding profit distribution per unit	- yen	- yen

For the assumptions underlying this outlook for management status, please refer to “Assumptions for the 37th fiscal period (from January 1, 2020 to June 30, 2020) and the 38th fiscal period (from July 1, 2020 to December 31, 2020)” 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 37th fiscal period (from January 1, 2020 to June 30, 2020) and
the 38th fiscal period (from July 1, 2020 to December 31, 2020)

Item	Assumptions
Period	37th fiscal period: from January 1, 2020 to June 30, 2020 (investment period: 182 days) 38th fiscal period: from July 1, 2020 to December 31, 2020 (investment period: 184 days)
Property Portfolio	<ul style="list-style-type: none"> In addition to the 64 properties held by JPR as of February 14, 2020, it is assumed that JPR will acquire Sencity Bldg. scheduled for March 27, 2020. In practice, this assumption may vary due to such events as acquisition of additional properties or sale of existing properties.
Operating Revenues	<ul style="list-style-type: none"> Real estate rental revenues are calculated on the basis of the lease contracts effective as of December 31, 2019, 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. The assumed period-average occupancy rate at end of month is 99.5% for the 37th fiscal period and 99.2% for the 38th fiscal period.
Operating Expenses	<ul style="list-style-type: none"> Among rental expenses, which are the principal operating expenses, outsourcing expenses and other expenses excluding depreciation are calculated based on historical data, etc., reflecting variable factors of expenses. Outsourcing expenses are assumed to be 620 million yen for the 37th fiscal period and 633 million yen for the 38th fiscal period. For property taxes and city planning taxes, the amount attributed to the relevant fiscal period is calculated out of the levied tax amount, and is assumed to be 2,400 million yen for the 37th fiscal period and 2,393 million yen for the 38th 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. Accordingly, the property taxes and city planning taxes on Minami Semba Bldg. and Sencity Bldg. that JPR acquired or will acquire in the 37th fiscal period will be appropriated in the 39th fiscal period ending June 2021 and thereafter (assumed to be 31 million yen for the fiscal period). Furthermore, the property taxes and city planning taxes on Shinagawa Canal Bldg. (additional ownership), JPR Kojimachi Bldg. and FUNDES Ueno that JPR acquired in the 35th fiscal period will be appropriated in the 37th fiscal period and thereafter (assumed to be 18 million yen for both the 37th fiscal period and the 38th fiscal period). For expenditures for the repair and maintenance of buildings, the amount expected to be required in each of the fiscal periods has been recorded. However, the expenditures for repair and maintenance for each of the fiscal periods could differ significantly from the estimated amount, as expenditures may arise due to damage to the building caused by unexpected factors, etc., and because the variance in amounts generally tends to grow from year to year and repair expenses do not arise regularly. Depreciation is calculated using the straight line method, including additional future capital expenditures. Depreciation is assumed to be 2,035 million yen for the 37th fiscal period and 2,100 million yen for the 38th fiscal period. Operating expenses excluding rental expenses (other than rental business expenses (asset management fees, administrative service and custodian fees, etc.) are assumed to be 912 million yen for the 37th fiscal period and 930 million yen for the 38th fiscal period.
Non-Operating Income	<ul style="list-style-type: none"> As for major non-operating income, JPR assumes income on settlement of management association accounts to be 51 million yen for the 37th fiscal period and 3 million yen for the 38th fiscal period.
Non-Operating Expenses	<ul style="list-style-type: none"> As for major non-operating expenses, JPR assumes 746 million yen for the 37th fiscal period and 743 million yen for the 38th 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. The expenses for the issuance of new investment units, for which payment is scheduled for March 2020, are assumed to be 44 million yen, and JPR assumes 4 million yen for the 37th fiscal period and 7 million yen for the 38th fiscal period, respectively, for the amortization of the investment unit issuance expenses.
Interest-Bearing Debt Ratio	<ul style="list-style-type: none"> The ratio of interest-bearing debt to total assets as of February 14, 2020 stands at 41.3%, with interest-bearing debts of 189,020 million yen (comprised of 162,520 million yen in long-term loans payable and 26,500 million yen in investment corporation bonds). It is assumed that proceeds from the issuance of new investment units through public offering and third-party allotment, for which payment is scheduled for March 2020, will be used to fund the acquisition of Sencity Bldg. and partial repayment of borrowings (2,000 million yen). It is assumed that, other than the repayment mentioned above, all borrowings for which repayment will arrive during the 37th and 38th fiscal periods will be refinanced. Due to the above, the ratio of interest-bearing debt to total assets is assumed to be 39.5% at the end of the 37th fiscal period and 39.5% at the end of the 38th fiscal period. The following formula is used in calculating the ratio of interest-bearing debt to total assets in

Item	Assumptions
	<p>this table.</p> <p>Ratio of interest-bearing debt to total assets = Expected total interest-bearing debt / Expected total assets x 100</p> <ul style="list-style-type: none"> • The ratio of interest-bearing debt to total assets may vary depending on the number and purchase price of the new investment units to be issued.
Total Units Outstanding	<ul style="list-style-type: none"> • The total number of investment units issued and outstanding is assumed to be 960,000 units, comprising 923,000 units issued and outstanding as of February 14, 2020 and 37,000 units, which is the maximum number of the new investment units to be issued through public offering (35,250 units) and third-party allotment (maximum 1,750 units). • Other than the above, it is assumed that no additional investment units will be issued by the end of the 38th fiscal period.
Distribution Per Unit	<ul style="list-style-type: none"> • For distribution per unit, it is assumed that all revenues will be distributed based on the distribution methods provided in the Articles of Incorporation. • 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.
Exceeding Profit Distribution Per Unit	<ul style="list-style-type: none"> • Distribution of monies exceeding the profit is currently not assumed.
Others	<ul style="list-style-type: none"> • It is assumed that there will be no changes in legislation, taxation, accounting standards, regulations applying to publicly listed companies, rules and requirements imposed by the Investment Trusts Association, Japan that will impact the aforementioned forecast. • It is also assumed that there will be no unexpected material changes in general economic and real estate market conditions.

2. Financial Statements

(1) Balance Sheets

(Thousands of Yen)

	End of 35th Fiscal Period (Jun. 30, 2019)	End of 36th Fiscal Period (Dec. 31, 2019)
Assets		
Current assets		
Cash and deposits	¥23,484,645	¥25,016,928
Cash and deposits in trust	12,782,464	12,758,578
Operating accounts receivable	385,838	246,507
Prepaid expenses	138,878	159,405
Other	11,959	15,198
Total current assets	36,803,787	38,196,618
Noncurrent assets		
Property, plant and equipment		
Buildings	59,982,967	60,602,042
Accumulated depreciation	(18,061,478)	(18,920,510)
Buildings, net	41,921,489	41,681,532
Buildings in trust	92,611,962	93,481,011
Accumulated depreciation	(34,475,696)	(35,522,474)
Buildings in trust, net	58,136,265	57,958,537
Structures	58,409	58,409
Accumulated depreciation	(25,144)	(26,812)
Structures, net	33,264	31,597
Structures in trust	144,695	146,650
Accumulated depreciation	(85,434)	(88,531)
Structures in trust, net	59,260	58,118
Machinery and equipment	799,611	821,773
Accumulated depreciation	(520,489)	(542,077)
Machinery and equipment, net	279,122	279,696
Machinery and equipment in trust	1,875,622	1,919,756
Accumulated depreciation	(1,408,464)	(1,435,893)
Machinery and equipment in trust, net	467,158	483,862
Tools, furniture and fixtures	101,869	129,582
Accumulated depreciation	(58,744)	(64,452)
Tools, furniture and fixtures, net	43,124	65,129
Tools, furniture and fixtures in trust	222,723	232,578
Accumulated depreciation	(161,023)	(169,599)
Tools, furniture and fixtures in trust, net	61,699	62,979
Land	113,047,999	113,060,949
Land in trust	189,014,043	189,014,043
Construction in progress	383	2,413
Construction in progress in trust	247	2,035
Total property, plant and equipment	403,064,057	402,700,894
Intangible assets		
Leasehold right	11,801,831	11,801,831
Other	4,352	3,962
Total intangible assets	11,806,183	11,805,793
Investments and other assets		
Lease and guarantee deposits	544,858	590,776
Long-term prepaid expenses	38,413	43,220
Total investments and other assets	583,271	633,997
Total noncurrent assets	415,453,512	415,140,685
Deferred assets		
Investment corporation bond issuance costs	101,044	129,512
Investment unit issuance expenses	8,256	917
Total deferred assets	109,301	130,429
Total assets	¥452,366,601	¥453,467,733

(Thousands of Yen)

	End of 35th Fiscal Period (Jun. 30, 2019)	End of 36th Fiscal Period (Dec. 31, 2019)
Liabilities		
Current liabilities		
Operating accounts payable	¥2,771,354	¥3,379,730
Short-term loans payable	2,000,000	1,000,000
Current portion of long-term loans payable	18,000,000	21,000,000
Current portion of investment corporation bonds	4,000,000	–
Accounts payable-other	739,135	669,920
Accrued expenses	70,252	81,175
Income taxes payable	605	605
Accrued consumption taxes	130,292	381,254
Advances received	2,860,847	3,022,445
Other	43,775	5,033
Total current liabilities	30,616,261	29,540,165
Noncurrent liabilities		
Investment corporation bonds	21,500,000	26,500,000
Long-term loans payable	139,520,000	136,520,000
Tenant leasehold and security deposits	8,098,431	8,049,652
Tenant leasehold and security deposits in trust	13,465,138	13,588,304
Total noncurrent liabilities	182,583,569	184,657,957
Total liabilities	213,199,831	214,198,122
Net assets		
Unitholders' equity		
Unitholders' capital	231,653,198	231,653,198
Surplus		
Voluntary reserve		
Reserve for reduction entry	284,356	689,444
Total voluntary reserve	284,356	689,444
Unappropriated retained earnings (undisposed loss)	7,229,214	6,926,967
Total surplus	7,513,570	7,616,411
Total unitholders' equity	239,166,769	239,269,610
Total net assets	239,166,769	239,269,610
Total liabilities and net assets	¥452,366,601	¥453,467,733

(2) Statements of Income and Retained Earnings

(Thousands of Yen)

	35th Fiscal Period (Jan. 1, 2019 – Jun. 30, 2019)	36th Fiscal Period (Jul. 1, 2019 – Dec. 31, 2019)
Operating revenue		
Rent revenue-real estate	¥15,695,954	¥16,005,870
Gain on sale of real estate	405,791	–
Total operating revenue	16,101,745	16,005,870
Operating expenses		
Expenses related to rent business	7,349,926	7,538,619
Asset management fee	574,894	569,134
Administrative service and asset custody fees	79,048	79,051
Directors' compensation	6,600	5,066
Trust fees	24,790	23,752
Other operating expenses	112,068	105,262
Total operating expenses	8,147,328	8,320,887
Operating income	7,954,417	7,684,983
Non-operating income		
Interest income	182	189
Income on settlement of management association accounts	59,246	4,357
Insurance income	11,239	1,527
Other	2,096	1,639
Total non-operating income	72,766	7,713
Non-operating expenses		
Interest expenses	593,661	556,344
Borrowing expenses	32,040	27,753
Interest expenses on investment corporation bonds	166,407	174,899
Amortization of investment corporation bond issuance costs	10,835	10,953
Amortization of investment unit issuance expenses	7,219	7,339
Other	191	221
Total non-operating expenses	810,355	777,510
Ordinary income	7,216,828	6,915,185
Income before income taxes	7,216,828	6,915,185
Income taxes-current	605	605
Total income taxes	605	605
Net income	7,216,223	6,914,580
Retained earnings brought forward	12,991	12,386
Unappropriated retained earnings (undisposed loss)	¥7,229,214	¥6,926,967

(3) Statements of Changes in Unitholders' Equity

(Thousands of Yen)

	35th Fiscal Period (Jan. 1, 2019 – Jun. 30, 2019)	36th Fiscal Period (Jul. 1, 2019 – Dec. 31, 2019)
Unitholders' equity		
Unitholders' capital		
Balance at beginning of current period	¥231,653,198	¥231,653,198
Changes of items during the period		
Total changes of items during the period	–	–
Balance at end of current period	231,653,198	231,653,198
Surplus		
Voluntary reserve		
Balance at beginning of current period	284,356	284,356
Changes of items during the period		
Provision of reserve for reduction entry		405,088
Total changes of items during the period	–	405,088
Balance at end of current period	284,356	689,444
Unappropriated retained earnings (undisposed loss)		
Balance at beginning of current period	6,774,889	7,229,214
Changes of items during the period		
Provision of reserve for reduction entry		(405,088)
Dividends from surplus	(6,761,898)	(6,811,740)
Net income	7,216,223	6,914,580
Total changes of items during the period	454,325	(302,247)
Balance at end of current period	7,229,214	6,926,967
Total surplus		
Balance at beginning of current period	7,059,245	7,513,570
Changes of items during the period		
Provision of reserve for reduction entry		–
Dividends from surplus	(6,761,898)	(6,811,740)
Net income	7,216,223	6,914,580
Total changes of items during the period	454,325	102,840
Balance at end of current period	7,513,570	7,616,411
Total unitholders' equity		
Balance at the beginning of current period	238,712,444	239,166,769
Changes of items during the period		
Provision of reserve for reduction entry		–
Dividends from surplus	(6,761,898)	(6,811,740)
Net income	7,216,223	6,914,580
Total changes of items during the period	454,325	102,840
Balance at end of current period	239,166,769	239,269,610
Total net assets		
Balance at beginning of current period	238,712,444	239,166,769
Changes of items during the period		
Provision of reserve for reduction entry		–
Dividends from surplus	(6,761,898)	(6,811,740)
Net income	7,216,223	6,914,580
Total changes of items during the period	454,325	102,840
Balance at end of current period	¥239,166,769	¥239,269,610

(4) Statements of Cash Distributions

	35th Fiscal Period (Jan. 1, 2019 – Jun. 30, 2019)	36th Fiscal Period (Jul. 1, 2019 – Dec. 31, 2019)
I. Unappropriated retained earnings	7,229,214,642 yen	6,926,967,425 yen
II. Distribution amount (Distribution amount per unit)	6,811,740,000 yen (7,380 yen)	6,916,039,000 yen (7,493 yen)
III. Voluntary reserve Provision of reserve for reduction entry	405,088,162 yen	–
IV. Retained earnings carried forward	12,386,480 yen	10,928,425 yen
Method for calculating distribution amount	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 6,811,740,000 yen, which is the largest integral multiple of the total number of investment units issued and outstanding (923,000 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.	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 6,916,039,000 yen, which is the largest integral multiple of the total number of investment units issued and outstanding (923,000 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.

(5) Statements of Cash Flows

(Thousands of Yen)

	35th Fiscal Period (Jan. 1, 2019 – Jun. 30, 2019)	36th Fiscal Period (Jul. 1, 2019 – Dec. 31, 2019)
Net cash provided by (used in) operating activities		
Income before income taxes	¥7,216,828	¥6,915,185
Depreciation and amortization	1,965,898	1,974,265
Amortization of investment corporation bond issuance costs	10,835	10,953
Amortization of investment unit issuance expenses	7,219	7,339
Interest income	(182)	(189)
Interest expenses	760,069	731,243
Decrease (increase) in operating accounts receivable	(93,912)	139,330
Decrease (increase) in prepaid expenses	15,734	(20,526)
Increase (decrease) in operating accounts payable	111,534	76,706
Increase (decrease) in accounts payable-other	70,167	(69,756)
Increase (decrease) in accrued consumption taxes	(132,073)	250,962
Increase (decrease) in advances received	34,473	161,598
Decrease from sale of property, plant and equipment	2,020,668	–
Decrease from sale of intangible assets	3,251,290	–
Other, net	55,016	(72,891)
Subtotal	15,293,568	10,104,222
Interest income received	182	189
Interest expenses paid	(765,902)	(720,320)
Income taxes (paid) refund	(605)	(606)
Net cash provided by (used in) operating activities	14,527,242	9,383,485
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(9,804,326)	(429,256)
Purchase of property, plant and equipment in trust	(759,308)	(649,786)
Purchase of intangible assets	(365,875)	–
Payments of lease and guarantee deposits	(49,857)	(45,918)
Repayments of tenant leasehold and security deposits	(484,149)	(206,466)
Proceeds from tenant leasehold and security deposits	647,991	157,687
Repayments of tenant leasehold and security deposits in trust	(431,553)	(239,597)
Proceeds from tenant leasehold and security deposits in trust	691,979	387,903
Net cash provided by (used in) investing activities	(10,555,099)	(1,025,434)
Net cash provided by (used in) financing activities		
Proceeds from short-term loans payable	2,000,000	4,000,000
Repayment of short-term loans payable	–	(5,000,000)
Proceeds from long-term loans payable	11,100,000	8,000,000
Repayment of long-term loans payable	(9,100,000)	(8,000,000)
Proceeds from issuance of investment corporation bonds	–	4,960,579
Redemption of investment corporation bonds	–	(4,000,000)
Dividends paid	(6,761,902)	(6,810,234)
Net cash provided by (used in) financing activities	(2,761,902)	(6,849,654)
Net changes in cash and cash equivalents	1,210,240	1,508,397
Cash and cash equivalents at beginning of current period	35,056,869	36,267,109
Cash and cash equivalents at end of current period	¥36,267,109	¥37,775,506

(6) Notes to the Going Concern Assumption

No relevant items.

(7) Notes to Significant Accounting Policies

The disclosure is omitted as there are no significant changes from the descriptions in the latest securities report (submitted on September 26, 2019).

(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)	
	End of 35th Fiscal Period	End of 36th Fiscal Period
	(as of June 30, 2019)	(as of December 31, 2019)
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)	
	End of 35th Fiscal Period	End of 36th Fiscal Period
	(as of June 30, 2019)	(as of December 31, 2019)
	¥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)	
	35th Fiscal Period (January 1, 2019 – June 30, 2019)	36th Fiscal Period (July 1, 2019 – December 31, 2019)
A. Rent Revenue-Real Estate		
Rent Revenue		
Rents	¥11,131,988	¥11,372,402
Land rents	1,726,749	1,774,000
Common charges	1,591,893	1,567,002
Parking fees	266,789	262,373
Advertising fees	75,465	36,467
Antenna usage fees	25,761	26,176
Other	39,276	43,384
Subtotal	14,857,925	15,081,806
Other rental revenues		
Incidental rent income	683,694	799,897
Time-based parking fees	8,711	8,286
Cancellation charges	46,466	21,686
Income equivalent to expenses for restoration to original condition	71,164	62,445
Other miscellaneous income	27,992	31,748
Subtotal	838,028	924,063
Total rent revenue-real estate	15,695,954	16,005,870
B. Expenses Related to Rent Business		
Outsourcing expenses	¥593,100	¥609,389
Utilities expenses	782,428	866,496
Property and other taxes	2,349,569	2,335,893
Casualty insurance	24,690	25,316
Repairs and maintenance	578,869	610,360
Property management fees	293,791	299,229
Management association accounts	569,179	570,509
Depreciation	1,965,736	1,973,941
Other	192,562	247,482
Total expenses related to rent business	7,349,926	7,538,619
C. Profits for Rent Business (A-B)	8,346,027	8,467,251

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

35th fiscal period (January 1, 2019 – June 30, 2019)	(Thousands of yen)
Tokyo Tatemono Kyobashi Bldg.	
Proceeds from sale of real estate	¥ 5,800,000
Cost of sale of real estate	5,271,959
Other expenses related to sale	122,248
Gain on sale of real estate	405,791

36th fiscal period (July 1, 2019 - December 31, 2019)

No relevant items.

Notes to Statements of Changes in Unitholders' Equity

	35th Fiscal Period (January 1, 2019 – June 30, 2019)	36th Fiscal Period (July 1, 2019 – December 31, 2019)
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	923,000 units	923,000 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, 2019 of financial instruments, and the difference between these amounts. Please note that 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	¥23,484,645	¥23,484,645	¥–
2) Cash and deposits in trust	12,782,464	12,782,464	–
3) Short-term loans payable	(2,000,000)	(2,000,000)	–
4) Current portion of long-term loans payable	(18,000,000)	(18,079,700)	79,700
5) Current portion of investment corporation bonds	(4,000,000)	(4,010,073)	10,073
6) Investment corporation bonds	(21,500,000)	(23,073,405)	1,573,405
7) Long-term loans payable	(¥139,520,000)	(¥142,182,670)	¥2,662,670

The following are the carrying values and fair values as of December 31, 2019 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	¥25,016,928	¥25,016,928	¥-
2) Cash and deposits in trust	12,758,578	12,758,578	-
3) Short-term loans payable	(1,000,000)	(1,000,000)	-
4) Current portion of long-term loans payable	(21,000,000)	(21,091,412)	91,412
5) Current portion of investment corporation bonds	-	-	-
6) Investment corporation bonds	(26,500,000)	(27,732,745)	1,232,745
7) Long-term loans payable	(¥136,520,000)	(¥138,243,341)	¥1,723,341

(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 carrying value and is thus stated at that carrying 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 (7) 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) Current portion of investment corporation bonds, and (6) 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 (7) 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 35th Fiscal Period (as of June 30, 2019)	End of 36th Fiscal Period (as of December 31, 2019)
Tenant leasehold and security deposits	¥8,098,431	¥8,049,652
Tenant leasehold and security deposits in trust	¥13,465,138	¥13,588,304

(Note 4) Scheduled redemption of monetary claims to be due subsequent to June 30, 2019 and December 31, 2019

End of 35th Fiscal Period (as of June 30, 2019)

	(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	¥23,484,645	¥-	¥-	¥-	¥-	¥-
Cash and deposits in trust	¥12,782,464	¥-	¥-	¥-	¥-	¥-

End of 36th Fiscal Period (as of December 31, 2019)

	(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	¥25,016,928	¥-	¥-	¥-	¥-	¥-
Cash and deposits in trust	¥12,758,578	¥-	¥-	¥-	¥-	¥-

(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, 2019 and December 31, 2019

End of 35th Fiscal Period (as of June 30, 2019)

	(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	¥2,000,000	¥-	¥-	¥-	¥-	¥-
Investment corporation bonds	¥4,000,000	¥-	¥-	¥2,000,000	¥5,000,000	¥14,500,000
Long-term loans payable	¥18,000,000	¥20,820,000	¥20,500,000	¥16,000,000	¥17,000,000	¥65,200,000

End of 36th Fiscal Period (as of December 31, 2019)

	(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	¥1,000,000	¥-	¥-	¥-	¥-	¥-
Investment corporation bonds	¥-	¥-	¥-	¥2,000,000	¥8,000,000	¥16,500,000
Long-term loans payable	¥21,000,000	¥19,820,000	¥18,500,000	¥21,000,000	¥15,000,000	¥62,200,000

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)	
	35th Fiscal Period (January 1, 2019 – June 30, 2019)	36th Fiscal Period (July 1, 2019 – December 31, 2019)
Carrying Value on the Balance Sheets		
Balance at Beginning of Period	¥410,964,607	¥414,867,157
Amount of Increase (Decrease) during the Period	¥3,902,549	(¥364,493)
Balance at End of Period	¥414,867,157	¥414,502,663
Fair Value at End of Period	¥509,065,000	¥522,660,000

(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 35th fiscal period, the amount of increase is primarily attributable to the additional acquisition of Shinagawa Canal Bldg. (179,872 thousand yen), and the acquisition of JPR Kojimachi Bldg. (5,813,591 thousand yen) and FUNDES Ueno (3,822,914 thousand yen), and the amount of decrease is primarily attributable to the sale of Tokyo Tatemono Kyobashi Bldg. (5,271,959 thousand yen) and depreciation (1,965,736 thousand yen). Of the amount of change during the 36th fiscal period, the amount of decrease is primarily attributable to depreciation (1,973,941 thousand yen).

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

The income (loss) in the 35th and 36th fiscal periods for investment and rental properties are as presented in the “Notes to Statements of Income and Retained Earnings.”

Per Unit Information

(Yen)

	35th Fiscal Period (January 1, 2019 – June 30, 2019)	36th Fiscal Period (July 1, 2019 – December 31, 2019)
Total net assets per unit	¥259,118	¥259,230
Net income per unit	¥7,818	¥7,491

(Note 1) Net income per unit is calculated by dividing net income by the weighted-average number of units outstanding during the current 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)

	35th Fiscal Period (January 1, 2019 – June 30, 2019)	36th Fiscal Period (July 1, 2019 – December 31, 2019)
Net income	¥7,216,223	¥6,914,580
Amounts not attributable to ordinary unitholders	–	–
Net income attributable to ordinary investment units	¥7,216,223	¥6,914,580
Average number of units	923,000 units	923,000 units

Subsequent Events*Issuance of new investment units*

JPR resolved at its Board of Directors meeting held on February 14, 2020 to issue new investment units, as outlined below. The issue price (offer price) and other conditions will be determined at the Board of Directors meetings to be held later.

[Issuance of new investment units through public offering (primary offering)]

Number of new investment units to be issued: 35,250 units

Payment date: Any day from March 3, 2020 to March 6, 2020

[Issuance of new investment units through third-party allotment]

Number of new investment units to be issued (maximum): 1,750 units

Allottee: Mizuho Securities Co., Ltd.

Payment date: March 24, 2020

The new investment units to be issued through third-party allotment may not be subscribed for in part or in whole and, as a result, the final number of units to be issued through third-party allotment may be reduced to the same extent, or the issuance itself may be cancelled, through forfeiture.

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 36th 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	
June 16, 2015	Additional public offering	45,700	870,700	17,472	209,516	(Note 1)
June 24, 2015	Third-party allotment	2,300	873,000	879	210,395	(Note 2)
January 24, 2017	Additional public offering	47,600	920,600	20,237	230,632	(Note 3)
February 14, 2017	Third-party allotment	2,400	923,000	1,020	231,653	(Note 4)

(Note 1) New investment units were issued through a public offering at 394,875 yen per unit (underwriting price of 382,320 yen per unit) to repay debt, etc.

(Note 2) New investment units were issued through a third-party allotment at 382,320 yen per unit to repay debt, etc.

(Note 3) 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 4) 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.

3. Reference Information

(1) JPR's Asset Structure

Asset Type	Category of Investment Area	35th Fiscal Period (as of June 30, 2019)		36th Fiscal Period (as of December 31, 2019)	
		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	86,948,130	19.2	86,968,578	19.2
	Greater Tokyo	60,045,976	13.3	59,930,822	13.2
	Other Cities	20,133,415	4.5	20,024,036	4.4
Real Estate in Trust	Central Tokyo	156,029,941	34.5	155,925,261	34.4
	Greater Tokyo	50,070,401	11.1	49,886,624	11.0
	Other Cities	41,639,292	9.2	41,767,339	9.2
Deposits and Other Assets	–	37,499,443 (–)	8.3 (–)	38,965,069 (–)	8.6 (–)
Total Assets	–	452,366,601 (414,867,157)	100.0 (91.7)	453,467,733 (414,502,663)	100.0 (91.4)

(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 36th 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.
 - 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.
 - Cupo-la Main Bldg.: The site area is for the entire redevelopment area.
- The abbreviations in the “Structure/Floors” represent the following phrases, respectively.
 - S: Steel-framed, RC: Reinforced concrete, SRC: Steel-framed reinforced concrete

Area	Type	Property Name	Location	Site Area (m ²)	Total Floor Space (m ²)	Structure/ Floors	Completed
Central Tokyo	Office	Kanematsu Bldg.	Kyobashi 2-chome, Chuo-ku, Tokyo	1,751.13	14,995.09	S, RC, SRC B2/13F	Feb. 1993
		Kanematsu Bldg. Annex	Kyobashi 2-chome, Chuo-ku, Tokyo	679.06	4,351.46	SRC B1/8F	Feb. 1993
		JPR Ningyo-cho Bldg.	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	
	Shibadaimon Center Bldg.	Shibadaimon 1-chome, Minato-ku, Tokyo	1,915.50	11,419.93	S, SRC B1/10F	Jul. 1993	
	Tokyo Square Garden	Kyobashi 3-chome, Chuo-ku, Tokyo	8,124.72	112,645.83	S, SRC B4/24F	Feb. 2013	
	JPR Kojimachi Bldg. (Note)	Kojimachi 5-chome, Chiyoda-ku, Tokyo	643.13	4,438.46	S B1/9F	Feb. 1999	
	Retail, etc.	JPR Shibuya Tower Records Bldg.	Jinnan 1-chome, Shibuya-ku, Tokyo	1,010.47	8,449.56	SRC, S B3/8F	Feb. 1992
		JPR Jingumae 432	Jingumae 4-chome, Shibuya-ku, Tokyo	198.10	1,066.81	S, SRC B1/7F	Feb. 2006
		Shinjuku Sanchome East Bldg.	Shinjuku 3-chome, Shinjuku-ku, Tokyo	2,578.69	24,617.65	S, SRC, RC B3/14F	Jan. 2007
		Yurakucho Ekimae Bldg. (Yurakucho Itocia)	Yurakucho 2-chome, Chiyoda-ku, Tokyo	6,808.12	71,957.65	S, SRC B4/20F	Oct. 2007
JPR Ginza Namiki-dori Bldg.		Ginza 5-chome, Chuo-ku, Tokyo	230.11	1,821.67	S 11F	Jun. 2008	
FUNDES Suidobashi		Kanda Misakicho 2-chome, Chiyoda-ku, Tokyo	281.59	1,477.91	S 9F	Jul. 2015	

(Note) The property was renamed from KY Kojimachi Bldg. to JPR Kojimachi Bldg. as of January 1, 2020.

Area	Type	Property Name	Location	Site Area (m ²)	Total Floor Space (m ²)	Structure/ Floors	Completed	
Greater Tokyo	Office	Arca East	Kinshi 3-chome, Sumida-ku, Tokyo	3,755.01	34,281.86	S, SRC B3/19F	Mar. 1997	
		JPR Chiba Bldg.	Shinmachi, Chuo-ku, Chiba, Chiba	1,382.35	9,072.57	S, SRC B1/13F	Jan. 1991	
		JPR Yokohama Nihon Odori Bldg.	Nihon-Odori, Naka-ku, Yokohama, Kanagawa	1,100.59	9,146.52	SRC B1/11F	Oct. 1989	
		Shinyokohama 2nd Center Bldg.	Shinyokohama 3-chome, Kohoku-ku, Yokohama, Kanagawa	841.71	7,781.93	S, SRC B2/12F	Aug. 1991	
		Kawaguchi Center Bldg.	Honcho 4-chome, Kawaguchi, Saitama	4,524.61	28,420.85	S, SRC B2/15F	Feb. 1994	
		JPR Ueno East Bldg.	Matsugaya 1-chome, Taito-ku, Tokyo	1,242.97	8,490.44	S, SRC B1/8F	Oct. 1992	
		Tachikawa Business Center Bldg.	Akebonocho 2-chome, Tachikawa, Tokyo	2,047.22	14,706.36	S, SRC B1/12F	Dec. 1994	
		Rise Arena Bldg.	Higashi-Ikebukuro 4-chome, Toshima-ku, Tokyo	9,377.28	91,280.94	RC, SRC, S B3/42F	Jan. 2007	
		Yume-ooka Office Tower	Kamiooka Nishi 1-chome, Konan-ku, Yokohama, Kanagawa	12,011.00	185,974.87	S, SRC, RC B3/27F	Mar. 1997	
		Olinas Tower	Taihei 4-chome, Sumida-ku, Tokyo	27,335.29	257,842.41	SRC, RC, S B2/45F	Feb. 2006	
		Tokyo Tatemono Yokohama Bldg.	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		
	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.			Minami-Senba 4-chome, Chuo-ku, Osaka, Osaka	609.31	5,303.98	S B2/10F	Feb. 2003 Jan. 2005 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		

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., JPR Shibuya Tower Records Bldg., Shinjuku Sanchome East Bldg., Yurakucho Ekimae Bldg. (Yurakucho Itocia), FUNDES Suidobashi, Arca East, Shinyokohama 2nd Center Bldg., Kawaguchi Center Bldg., JPR Ueno East Bldg., Tachikawa Business Center Bldg., Yume-ooka Office Tower, Olinas Tower, Tokyo Tatemono Yokohama Bldg., Omiya Prime East, 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
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 36th 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	3.7	15,200	2.9
		Kanematsu Bldg. Annex	Dec. 27, 2001	2,874	0.7	3,570	0.7
		JPR Ningyo-cho Bldg.	Nov. 16, 2001	2,100	0.5	2,890	0.6
		Shin-Kojimachi Bldg.	Nov. 16, 2001	1,670	0.6	4,190	0.8
			Nov. 21, 2002	550			
			Nov. 12, 2004	200			
		JPR Crest Takebashi Bldg.	Jun. 21, 2002	4,000	0.9	3,740	0.7
		MS Shibaura Bldg.	Mar. 28, 2003	11,200	2.5	14,900	2.9
		Gotanda First Bldg.	Jul. 23, 2003	2,920	0.7	3,780	0.7
		JPR Ichigaya Bldg.	May 28, 2004	5,100	1.2	4,970	1.0
		Oval Court Ohsaki Mark West	Jun. 1, 2004	3,500	0.8	5,450	1.0
		Shinjuku Square Tower	Jul. 2, 2004	10,000	3.4	14,900	2.9
			Sep. 26, 2008	180			
			Mar. 25, 2015	4,000			
			Oct. 21, 2015	786			
		BYGS Shinjuku Bldg.	Nov. 9, 2004	2,900	3.4	21,600	4.1
			Apr. 12, 2005	8,921			
			Jul. 13, 2010	3,300			
		Across Shinkawa Bldg. Annex	Nov. 26, 2004	710	0.2	790	0.2
		Shinjuku Center Bldg.	Mar. 27, 2008	21,000	4.8	17,300	3.3
		Minami Azabu Bldg.	Jul. 14, 2008	3,760	0.9	2,910	0.6
		Shinagawa Canal Bldg.	Dec. 19, 2008	1,870	0.5	2,360	0.5
			Mar. 8, 2019	171			
		Rokubancho Bldg.	Dec. 2, 2009	2,800	0.6	3,650	0.7
		JPR Harajuku Bldg.	Dec. 25, 2009	8,400	1.9	11,500	2.2
		JPR Nihonbashi-horidome Bldg.	Mar. 31, 2010	5,100	1.2	6,840	1.3
	JPR Sendagaya Bldg.	May 31, 2010	15,050	3.4	12,100	2.3	
	Ginza Sanwa Bldg.	Aug. 29, 2011	3,400	0.8	3,770	0.7	
	Otemachi Tower (Land with Leasehold Interest)	Mar. 13, 2012	36,000	8.2	51,900	9.9	
	Science Plaza-Yonbancho Plaza	Dec. 6, 2013	2,660	0.6	3,300	0.6	
		Dec. 6, 2013	3,420	1.0	6,170	1.2	
	Shibadaimon Center Bldg.	Jul. 30, 2014	800				
		Tokyo Square Garden	Feb. 1, 2017	9,200	4.2	21,700	4.2
Apr. 4, 2017	9,200						
JPR Kojimachi Bldg.	Jun. 27, 2019	5,750	1.3	6,410	1.2		
Retail, etc.	JPR Shibuya Tower Records Bldg.	Jun. 30, 2003	12,000	2.7	13,800	2.6	
	JPR Jingumae 432	Mar. 24, 2006	4,275	1.0	4,230	0.8	
	Shinjuku Sanchome East Bldg.	Mar. 14, 2007	540	0.6	2,800	0.5	
		Apr. 24, 2008	2,200				
	Yurakucho Ekimae Bldg. (Yurakucho Itocia)	Aug. 27, 2008	3,400	0.8	3,240	0.6	
	JPR Ginza Namiki-dori Bldg.	Dec. 15, 2016	10,100	2.3	11,100	2.1	
FUNDES Suidobashi	Dec. 15, 2016	3,250	0.7	3,570	0.7		
Subtotal of Central Tokyo				245,533	55.9	284,630	54.5

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	6,880	1.3
		JPR Chiba Bldg.	Dec. 13, 2001	2,350	0.5	1,810	0.3
		JPR Yokohama Nihon Odori Bldg.	Nov. 16, 2001	2,927	0.7	2,360	0.5
		Shinyokohama 2nd Center Bldg.	Sep. 25, 2002	920	0.3	2,310	0.4
			Mar. 28, 2013	570			
		Kawaguchi Center Bldg.	Feb. 13, 2004	8,100	1.8	9,740	1.9
		JPR Ueno East Bldg.	Mar. 1, 2004	3,250	0.7	5,380	1.0
		Tachikawa Business Center Bldg.	Sep. 30, 2005	888	0.7	4,470	0.9
			Feb. 28, 2007	2,300			
		Rise Arena Bldg.	Mar. 22, 2007	5,831	1.3	9,520	1.8
		Yume-ooka Office Tower	Jul. 10, 2007	6,510	1.5	7,040	1.3
		Olinas Tower	Jun. 29, 2009	31,300	7.1	40,000	7.7
		Tokyo Tatemono Yokohama Bldg.	Dec. 27, 2010	7,000	1.6	9,580	1.8
	Omiya Prime East	Mar. 22, 2013	6,090	1.4	9,430	1.8	
	Retail, etc.	Tanashi ASTA	Nov. 16, 2001	10,200	2.3	12,500	2.4
		Cupo-la Main Bldg.	Mar. 31, 2006	2,100	0.5	2,970	0.6
		JPR Musashikosugi Bldg.	Sep. 28, 2006	7,254	1.7	5,680	1.1
		Musashiurawa Shopping Square	Mar. 19, 2007	4,335	1.0	4,350	0.8
		Kawasaki Dice Bldg.	Apr. 12, 2007	15,080	3.4	16,300	3.1
		FUNDES Ueno	Jun. 27, 2019	3,800	0.9	4,000	0.8
Subtotal of Greater Tokyo				126,685	28.8	154,320	29.5
Other Cities	Office	Niigata Ekinan Center Bldg.	Nov. 16, 2001	2,140	0.5	2,270	0.4
		Tokyo Tatemono Honmachi Bldg.	Nov. 16, 2001	4,150	0.9	3,620	0.7
		JPR Hakata Bldg.	Nov. 16, 2001	2,900	0.7	3,920	0.8
		JPR Naha Bldg.	Nov. 16, 2001	1,560	0.4	2,130	0.4
		Sompo Japan Sendai Bldg.	Jun. 26, 2002	3,150	0.7	4,620	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	3,400	0.7
		JPR Dojima Bldg.	Jan. 23, 2004	2,140	0.5	3,530	0.7
		JPR Nagoya Fushimi Bldg.	Mar. 22, 2005	4,137	0.9	3,400	0.7
		Yakuin Business Garden	Aug. 8, 2012	10,996	2.5	20,000	3.8
		JPR Shinsaibashi Bldg.	May 30, 2005	5,430	1.2	4,690	0.9
	Retail, etc.	JPR Umeda Loft Bldg.	May 15, 2003	8,000	3.0	14,400	2.8
			Jul. 16, 2003	5,000			
		Housing Design Center Kobe	Sep. 28, 2005	7,220	1.6	7,570	1.4
JPR Chayamachi Bldg.	Aug. 30, 2006	6,000	1.4	8,500	1.6		
Subtotal of Other Cities				67,303	15.3	83,710	16.0
Total				439,521	100.0	522,660	100.0

(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 36th fiscal period for JPR-owned real estate and entrusted real estate regarding beneficiary interests in real estate. 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 36th fiscal period	Amount Already Paid
Gotanda First Bldg.	Shinagawa-ku, Tokyo	Replacement of toilets, etc. on 1st basement floor and 6th through 11th floors	Nov. 2019 – Jun. 2020	128	–	–
JPR Naha Bldg.	Naha, Okinawa	3rd through 4th phases of replacement of toilets and hot-water supply rooms	Jan. 2020 – Sep. 2020	111	–	–
JPR Nihonbashi-horidome Bldg.	Chuo-ku, Tokyo	2nd phase of replacement of air conditioning units	Jan. 2020 – May 2020	93	–	–
JPR Naha Bldg.	Naha, Okinawa	Repair of exterior walls and rooftop	Jan. 2020 – Jun. 2020	90	–	–
JPR Ichigaya Bldg.	Chiyoda-ku, Tokyo	Replacement of toilets on 2nd through 7th floors	Jan. 2020 – Jun. 2020	89	–	–
Tokyo Tatemono Honmachi Bldg.	Osaka, Osaka	Replacement of distribution boards and replacement of lighting equipment with LED lamps on 4th and 9th floors	Apr. 2020 – Jun. 2020	88	–	–
BYGS Shinjuku Bldg.	Shinjuku-ku, Tokyo	Replacement of ceilings in common areas on 3rd through 12th floors	Mar. 2020 – Jun. 2020	46	–	–
Yakuin Business Garden	Fukuoka, Fukuoka	Renovation of smoking rooms to comply with the Health Promotion Act	Mar. 2020 – Jun. 2020	46	–	–
Niigata Ekinan Center Bldg.	Niigata, Niigata	Replacement of lighting equipment with LED lamps on 5th through 10th floors	Jan. 2020 – Mar. 2020	43	–	–
Tokyo Tatemono Honmachi Bldg.	Osaka, Osaka	Installation of variable air volume system for air conditioning units on 4th and 9th floors	Apr. 2020 – Jun. 2020	41	–	–
Kawaguchi Center Bldg.	Kawaguchi, Saitama	6th phase of replacement of air conditioning units	Oct. 2019 – Mar. 2020	41	–	–
BYGS Shinjuku Bldg.	Shinjuku-ku, Tokyo	Renovation of the entrance hall on 1st floor (ceiling, walls and replacement of lighting equipment with LED lamps)	Mar. 2020 – Apr. 2020	35	–	–
Arca East	Sumida-ku, Tokyo	Replacement of power receiving and transforming facilities	Feb. 2020 – Mar. 2020	31	–	–

2) Capital Expenditures during the 36th Fiscal Period

The following are the capital expenditure amounts JPR invested in real estate and entrusted real estate during the 36th 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 625 million yen (Note), which was appropriated as expenditures for repair and maintenance.

Property Name	Location	Purpose	Period	Construction Expenses (million yen)
JPR Musashikosugi Bldg.	Kawasaki, Kanagawa	Repair of exterior walls	Aug. 2019 – Dec. 2019	244
JPR Nihonbashi-horidome Bldg.	Chuo-ku, Tokyo	1st phase of replacement of air conditioning units	Sep. 2019 – Dec. 2019	102
Kawaguchi Center Bldg.	Kawaguchi, Saitama	5th phase of replacement of air conditioning units	Apr. 2019 – Sep. 2019	84
Tokyo Tatemono Honmachi Bldg.	Osaka, Osaka	Replacement of air conditioning units	May 2019 – Dec. 2019	75
JPR Naha Bldg.	Naha, Okinawa	2nd phase of replacement of toilets and hot-water supply rooms	Jun. 2019 – Dec. 2019	66
Rokubancho Bldg.	Chiyoda-ku, Tokyo	Repair of exterior walls	Jul. 2019 – Dec. 2019	60
JPR Umeda Loft Bldg.	Osaka, Osaka	3rd phase of replacement of escalators	Sep. 2019 – Oct. 2019	45
BYGS Shinjuku Bldg.	Shinjuku-ku, Tokyo	Replacement of central monitoring facilities	Jun. 2019 – Dec. 2019	38
Other capital expenditures		Replacement of air conditioning units, repair of common areas, replacement of lighting equipment with LED lamps, etc.		864
Total				1,582

(Note) Expenditures for repair and maintenance included 15 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 36th fiscal period.

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

Total Number of Tenants	2	
Rental Revenues (Note 1)	1,774,000 thousand yen	
Percentage to Total Rental Revenues (Note 2)	11.1%	
Total Leased Floor Space (Note 3)	11,034.78m ²	
Total Leasable Floor Space (Note 3)	11,034.78m ²	
Changes in Occupancy Rate in Last 5 years (Note 2)	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%
	December 31, 2015	100.0%
	June 30, 2015	100.0%

(Note 1) Rental revenues represent the property's operating revenues for the 36th fiscal period, rounded down to the nearest thousand yen.

(Note 2) The figure has been rounded to the first decimal place.

(Note 3) The total leased floor space and total leasable floor space are those as of the end of the 36th fiscal period (December 31, 2019).

(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, 2015	62	647	475,007.79m ²	96.7%
December 31, 2015	62	650	476,352.67m ²	97.4%
June 30, 2016	62	661	476,345.81m ²	98.1%
December 31, 2016	63	679	477,249.40m ²	98.6%
June 30, 2017	62	730	477,972.54m ²	98.0%
December 31, 2017	62	745	478,169.25m ²	98.5%
June 30, 2018	62	747	478,117.02m ²	98.8%
December 31, 2018	62	747	478,088.25m ²	99.2%
June 30, 2019	63	757	480,277.86m ²	98.6%
July 31, 2019	63	760	480,277.01m ²	99.5%
August 31, 2019	63	759	480,276.39m ²	99.5%
September 30, 2019	63	758	480,276.39m ²	99.5%
October 31, 2019	63	758	480,276.38m ²	99.3%
November 30, 2019	63	759	480,284.17m ²	99.5%
December 31, 2019	63	760	480,284.17m ²	99.6%

(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 36th fiscal period, as well as the total rental income for the 36th fiscal period.

Total Number of Tenants	760
Total Leased Floor Space	478,158.20m ²
Total Leasable Floor Space	480,284.17m ²
Total Rental Income	16,005,870 thousand yen

2) Overview of Lease Status for Respective Properties

Area	Type	Property Name	36th Fiscal Period (July 1, 2019 – December 31, 2019)					
			Information on Period End Floor Space, Etc.			Rental Revenues		
			Total Leasable Floor Space (m ²)	Total Leased Floor Space (m ²)	No. of Tenants (Note 1)	Occupancy Rate (%)	(thousands of yen)	Ratio
Central Tokyo	Office	Kanematsu Bldg.	8,090.42	8,090.42	11	100.0	393,386	2.5
		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	94,767	0.6
		Shin-Kojimachi Bldg.	3,319.37	3,319.37	17	100.0	116,015	0.7
		JPR Crest Takebashi Bldg.	3,265.34	3,265.34	8	100.0	112,713	0.7
		MS Shibaura Bldg.	14,468.38	14,468.38	10	100.0	468,088	2.9
		Gotanda First Bldg.	4,241.22	4,241.22	2	100.0	136,917	0.9
		JPR Ichigaya Bldg.	4,240.37	4,240.37	10	100.0	152,421	1.0
		Oval Court Ohsaki Mark West	4,088.44	4,088.44	2	100.0	195,075	1.2
		Shinjuku Square Tower	19,266.38	19,266.38	23	100.0	413,294	2.6
		BYGS Shinjuku Bldg.	15,227.80	15,170.47	23	99.6	615,851	3.8
		Across Shinkawa Bldg. Annex	1,253.39	1,253.39	4	100.0	37,308	0.2
		Shinjuku Center Bldg.	8,865.71	8,687.73	34	98.0	518,147	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	74,643	0.5
		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	299,995	1.9
		JPR Nihonbashi-horidome Bldg.	5,299.88	5,299.88	5	100.0	192,169	1.2
		JPR Sendagaya Bldg.	6,177.74	6,177.74	7	100.0	293,019	1.8
		Ginza Sanwa Bldg.	1,896.69	1,896.69	9	100.0	120,945	0.8
		Otemachi Tower (Land with Leasehold Interest)	11,034.78	11,034.78	2	100.0	1,774,000	11.1
		Science Plaza-Yonbancho Plaza	3,325.29	3,184.61	23	95.8	113,931	0.7
	Shibadaimon Center Bldg.	5,401.46	5,401.46	9	100.0	188,793	1.2	
	Tokyo Square Garden	5,971.73	5,971.73	46	100.0	402,309	2.5	
	JPR Kojimachi Bldg.	3,493.67	3,338.06	6	95.5	161,357	1.0	
	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	88,757	0.6	
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	209,279	1.3	
FUNDES Suidobashi		1,367.56	1,367.56	6	100.0	101,776	0.6	
Greater Tokyo	Office	Arca East	7,022.76	7,022.76	6	100.0	265,311	1.7
		JPR Chiba Bldg.	5,539.12	5,333.81	38	96.3	136,176	0.9
		JPR Yokohama Nihon Odori Bldg.	6,079.74	6,079.74	18	100.0	129,337	0.8
		Shinyokohama 2nd Center Bldg.	5,284.75	5,186.75	20	98.1	107,607	0.7
		Kawaguchi Center Bldg.	15,503.27	15,072.64	42	97.2	445,811	2.8
		JPR Ueno East Bldg.	6,454.84	6,454.84	10	100.0	179,147	1.1
		Tachikawa Business Center Bldg.	4,588.89	4,498.65	24	98.0	153,076	1.0

		Rise Arena Bldg.	6,023.39	6,023.39	1	100.0	(Note 2)	(Note 2)	
		Yume-ooka Office Tower	12,000.08	12,000.08	40	100.0	338,295	2.1	
		Olinas Tower	23,987.40	23,987.40	16	100.0	1,029,072	6.4	
		Tokyo Tatemono Yokohama Bldg.	6,493.99	6,493.99	22	100.0	302,688	1.9	
		Omiya Prime East	6,871.45	6,871.45	4	100.0	280,519	1.8	
	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.	12,070.15	12,018.91	29	99.6	517,330	3.2	
		FUNDES Ueno	1,989.66	1,989.66	10	100.0	124,134	0.8	
	Other Cities	Office	Niigata Ekinan Center Bldg.	5,327.50	5,327.50	10	100.0	124,885	0.8
			Tokyo Tatemono Honmachi Bldg.	7,150.22	6,751.46	8	94.4	154,159	1.0
JPR Hakata Bldg.			6,577.26	6,577.26	43	100.0	168,793	1.1	
JPR Naha Bldg.			3,944.98	3,944.98	21	100.0	106,039	0.7	
Sompo Japan Sendai Bldg.			7,129.14	6,990.52	14	98.1	189,277	1.2	
Sompo Japan Wakayama Bldg.			4,876.71	4,792.13	15	98.3	108,207	0.7	
Tenjin 121 Bldg.			3,257.72	3,202.53	15	98.3	120,321	0.8	
JPR Dojima Bldg.			3,918.28	3,918.28	12	100.0	133,943	0.8	
JPR Nagoya Fushimi Bldg.			7,086.37	7,054.19	5	99.5	154,321	1.0	
Yakuin Business Garden			16,654.33	16,644.71	15	99.9	545,285	3.4	
JPR Shinsaibashi Bldg.		4,021.53	4,021.53	10	100.0	131,698	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	171,154	1.1		
Total			480,284.17	478,158.20	760	99.6	16,005,870	100.0	

(Note 1) The number of tenants at end of period is counted as follows except for Shinjuku Square Tower, Shinjuku Center Bldg., and Residential part of Science Plaza-Yonbancho Plaza, Tokyo Square Garden, Rise Arena 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, Rise Arena 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, 2019.

Rank	Tenant	Property Name	Leased Floor Space at End of Period (m ²) (Note 1)	Percentage to Total Leased Floor Space at End of Period (Note 2)
1	Tokyo Tatemono Co., Ltd	Shinjuku Square Tower Shinjuku Center Bldg. Tokyo Square Garden Olinas Tower Kawasaki Dice Bldg. Tokyo Tatemono Honmachi Bldg.	49,652.69	10.4%
2	ABC Development Corporation	Housing Design Center Kobe	35,444.13	7.4%
3	Seiyu GK	Tanashi ASTA	31,121.71	6.5%
4	Ito-Yokado Co., Ltd.	JPR Musashikosugi Bldg.	19,740.95	4.1%
5	The LOFT Co., Ltd.	JPR Umeda Loft Bldg.	18,586.97	3.9%
6	Olympic Group Corporation	Musashiurawa Shopping Square	9,558.51	2.0%
7	Tower Records Japan Inc.	JPR Shibuya Tower Records Bldg.	8,076.85	1.7%
8	Sompo Japan Nipponkoa Insurance Inc.	Kawaguchi Center Bldg. Yume-ooka Office Tower Sompo Japan Sendai Bldg. Sompo Japan Wakayama Bldg.	8,037.54	1.7%
9	Y.K. Tokyo Prime Stage	Otemachi Tower (Land with Leasehold Interest)	7,875.50	1.6%
10	Hitachi Urban Investment, Ltd.	BYGS Shinjuku Bldg. JPR Ueno East Bldg. Yume-ooka Office Tower JPR Hakata Bldg. JPR Nagoya Fushimi Bldg.	7,138.90	1.5%

(Note 1) For co-owned properties, etc., the figure indicates the leased floor space corresponding to the equity 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 equity interest held by JPR (478,854.30m²).