

Translation

Japan Prime Realty Investment Corporation
Financial Report for the 41st Fiscal Period Results (January 1, 2022 - June 30, 2022)

August 16, 2022

REIT Securities Issuer: Japan Prime Realty Investment Corporation Listing: Tokyo Stock Exchange
 Securities Code: 8955 URL: <https://www.jpr-reit.co.jp/>
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1. Financial Results for the 41st Fiscal Period (January 1, 2022 – June 30, 2022)

[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 Revenue		Operating Income		Ordinary Income		Net Income	
	million yen	%	million yen	%	million yen	%	million yen	%
For the six months ended June 30, 2022	18,357	0.6	9,343	8.3	8,607	9.1	8,607	9.1
December 31, 2021	18,253	5.5	8,626	(1.9)	7,893	(2.8)	7,892	(2.8)

	Net Income per Unit (EPU)	Net Income / Net Assets	Ordinary Income / Total Assets	Ordinary Income / Operating Revenue
	yen	%	%	%
For the six months ended June 30, 2022	8,664	3.2	1.7	46.9
December 31, 2021	8,236	3.1	1.6	43.2

(2) Distributions

	Distribution per Unit (DPU) [excluding exceeding profit distribution amount]	Distribution Amount	Exceeding Profit Distribution per Unit	Exceeding Profit Distribution Amount	Dividend Payout Ratio	Distribution / Net Assets
	yen	million yen	yen	million yen	%	%
For the six months ended June 30, 2022	7,800	7,777	–	–	90.3	2.9
December 31, 2021	7,550	7,234	–	–	91.6	2.8

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

(Note 2) Dividend payout ratio for the six months ended June 30, 2022 is calculated by using the following formula, as JPR issued new investment units in the fiscal period:

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

(Note 3) The difference between the distribution amount and net income for the six months ended December 31, 2021, is attributable to the fact that part of the unappropriated retained earnings (659 million yen) was internally reserved as reserve for reduction entry.

(Note 4) The difference between the distribution amount and net income for the six months ended June 30, 2022, is attributable to the fact that part of the unappropriated retained earnings (830 million yen) was internally reserved as reserve for reduction entry.

(3) Financial Position

	Total Assets	Net Assets	Net Assets / Total Assets	Net Asset Per Unit
	million yen	million yen	%	yen
As of June 30, 2022	507,005	272,912	53.8	273,684
December 31, 2021	495,615	257,649	52.0	268,875

(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
June 30, 2022	14,317	(12,919)	2,611	39,557
December 31, 2021	18,793	(29,876)	3,027	35,547

2. Forecasts for the 42nd Fiscal Period Ending December 31, 2022 (July 1, 2022 – December 31, 2022) and the 43rd Fiscal Period Ending June 30, 2023 (January 1, 2023 – June 30, 2023)

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

	Operating Revenue		Operating Income		Ordinary Income		Net Income		DPU [excluding exceeding profit distribution per unit]	Exceeding Profit Distribution Per Unit
	million yen	%	million yen	%	million yen	%	million yen	%	yen	yen
42nd Fiscal Period Ending December 31, 2022	18,472	0.6	9,393	0.5	8,579	(0.3)	8,578	(0.3)	7,750	–
43rd Fiscal Period Ending June 30, 2023	17,029	(7.8)	8,138	(13.4)	7,359	(14.2)	7,359	(14.2)	7,600	–

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

42nd fiscal period ending December 31, 2022: 8,602 yen

43rd fiscal period ending June 30, 2023: 7,380 yen

(Note 1) DPU for the 42nd fiscal period ending December 31, 2022 is calculated on the assumption that part of the gain on sale of real estate (850 million yen) will be internally reserved in application of the Special Provisions for Taxation in Cases of Repurchase of Specified Assets (Article 65-7 of the Act on Special Measures Concerning Taxation).

(Note 2) DPU for the 43rd fiscal period ending June 2023 is calculated on the assumption that part of the reserve for reduction entry (219 million yen) will be reversed and distributed.

3. Other

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

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

(2) Number of Investment Units Issued and Outstanding

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

As of June 30, 2022: 997,178 units As of December 31, 2021: 958,250 units

(b) Number of treasury units at end of period

As of June 30, 2022: 0 units As of December 31, 2021: 0 units

(Note) With regard to the number of investment units, which serves as the basis for calculating net income per unit, please refer to "Per Unit Information," on page 21.

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

* Special note

The forecasts for the 42nd fiscal period ending December 31, 2022, and the 43rd fiscal period ending June 30, 2023, are calculated as of August 16, 2022, based on the assumptions described on pages 8 and 9 of this report. Accordingly, actual operating revenue, operating income, ordinary income, net income, DPU and exceeding profit distribution per unit may differ from the forecasts. Moreover, the forecasts should not be construed as a guarantee of the distribution amount.

This is an English-language translation of original Japanese announcement on our website released on August 16, 2022. However, no assurance or warranties are given with respect to the accuracy or completeness of this English-language translation. The Japanese original shall prevail in the case of discrepancies between this translation and the Japanese original.

1. Management Status

1) Overview of Fiscal Period under Review

a) Milestones of JPR

Japan Prime Realty Investment Corporation (JPR) was established on September 14, 2001, under the Act on Investment Trusts and Investment Corporations (Act No. 198 of 1951, as amended), and was listed on the Tokyo Stock Exchange Real Estate Investment Trust Section on June 14, 2002, with 289,600 outstanding investment units. With the subsequently implemented public offerings and other capital raising measures by JPR, the number of investment units issued and outstanding totals 997,178 units as of the end of the 41st fiscal period (June 30, 2022). JPR has assigned the asset management of its portfolio to Tokyo Realty Investment Management, Inc. (TRIM), through which JPR aims to maximize unitholder value by efficiently managing the portfolio primarily comprising office properties and retail properties.

b) Management Environment

During the 41st fiscal period, the Japanese economy showed a pickup as activity restrictions under the spread of COVID-19 were relaxed, among other factors. On the demand side, consumer sentiment improved to show a trend for recovery in consumer spending. Capital investment and housing investment were also on a strong note. In terms of supply, meanwhile, Japan was affected by partial restrictions on production activities imposed in China and continuing global shortage of semiconductors, and saw production stagnated in some areas. Corporate earnings demonstrated recovery in the non-manufacturing sector, following such within manufacturing industries. However, partly affected by the Ukraine situation since the end of February and exchange rate fluctuations, general prices have risen in and outside Japan against the backdrop of rising commodity prices, causing concerns about how the economy and corporate earnings will be impacted. In addition, close attention must be continuously paid to the impact of the spread of COVID-19 infections.

The Office Property Leasing Market

In the office property leasing market, the vacancy rate in Central Tokyo has turned to a leveling trend after continuously showing an upward trend, partly due to the impact of COVID-19 softening, and the decrease in average rent has been decelerating. Similar trends are observed in Greater Tokyo and other cities.

The Retail Property Leasing Market

At urban retail properties which JPR targets for investment, sales recovery is underway with an increase in the number of customers visiting retail stores, given the focused anti-infection measures against COVID-19 issued by the government for Tokyo and several other prefectures lifted in March.

The For-Sale Real Estate Market

In the for-sale real estate market, active transactions continued to take place against the backdrop of weaker yen and low interest rates, etc. For office properties that are major targets of JPR for investment, blue-chip properties are in short supply while investors both in and outside Japan still show a strong appetite to acquire them. Thus, with low-yield transactions continuing to prevail, the acquisition environment remains harsh. Accordingly, investors continue to look for ways to effectively acquire properties, such as by diversifying the target assets for investment and conducting asset replacement.

As for urban retail properties and hotels for which investors have shown a cautious attitude due to the impact of COVID-19, transactions with an eye to the post-pandemic era are visibly taking place.

c) Portfolio Management Status

Acquisition of New Properties and Asset Replacement

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

During the 41st fiscal period, JPR acquired Tokyo Tatemono Higashi Shibuya Bldg. (acquisition price: 11,300 million yen) in January 2022. Moreover, in June 2022, JPR conducted the second part of the sale of JPR Umeda Loft Bldg. (30% ownership, sale price of the relevant ownership interest: 5,250 million yen).

As a result of these transactions, the balance of JPR's assets under management totaled 67 properties, or 492.2 billion yen on an acquisition price basis as of the end of June 2022, with the total leasable floor space standing at 502,889 m² and the number of tenants at 1,171.

Operational Management of Portfolio

In the office property leasing market in the 41st fiscal period, the upward trend in the vacancy rate and the downward trend in rent levels appeared to take a temporary pause, given the impact of COVID-19 being tamed. Nevertheless, the situation demands that close attention be continuously paid. Under such circumstances, JPR endeavored to attract new tenants through strategic leasing activities and enhance the satisfaction of existing tenants by maintaining close cooperation with property management companies and brokers, with an aim to secure stable earnings across the entire portfolio as well as its occupancy rate. As a result of these efforts, the occupancy rate at the end of the 41st fiscal period was kept at a high level, as it rose 0.2 points period-on-period to 97.5%.

In terms of property management, JPR continued to proactively implement value enhancement works based on tenant needs, on the ground of its brand concept A/3S (Amenity/Service, Safety and Save Energy) that has been established with an aim to create spaces where the workers feel satisfaction. As an endeavor to reduce CO₂ emissions, 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 June 30, 2022, JPR has acquired DBJ Green Building Certification^{*1} for 13 properties in total, of which 11 properties have been continuously certified. JPR has also obtained CASBEE for Building Certification^{*2} for 31 properties in total (including 3 newly certified properties), and BELS^{*3} certification for two of its properties. On top of these certifications JPR acquired, its endeavors on environmental issues were so acknowledged that it was designated as "Green Star" in the GRESB^{*4} Real Estate Assessment for 2021, marking the eighth consecutive year of recognition with the highest ranking in the survey. JPR has also been granted the highest rank of "5 Stars" in the rating, which makes relative assessment based on total scores, for three consecutive years.

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

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

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

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

Fund Procurement

In the 41st fiscal period, JPR additionally issued investment units (refer to (9) Changes in Investment Units Issued and Outstanding below) to procure 13.8 billion yen, which was used to fund the acquisition of a new property and repay borrowings.

On top of this, JPR focuses its endeavors on debt financing with an emphasis placed on lengthening debt maturity and diversifying repayment dates in an effort to make its financial base more solid and stronger against the backdrop of the favorable fund procurement environment.

JPR borrowed 18.5 billion yen in the 41st fiscal period to fund the refinancing of interest-bearing debts it repaid during the same fiscal period. This led to the average maturity of and the average interest on the new interest-bearing debts at 9.2 years and 0.64%, respectively, in contrast to 5.7 years and 0.55% for the relevant interest-bearing debts before refinancing (excluding short-term debts).

As of the end of the 41st fiscal period, the balance of interest-bearing debts totaled 202.9 billion yen, with a balance of borrowings of 165.0 billion yen and a balance of investment corporation bonds of 37.9 billion yen. The ratio of interest-bearing debt to total assets (Note 1) was 40.0%, long-term and fixed interest-bearing debt ratio (Note 2) was 100.0%, average debt cost (Note 3) was 0.74% and average maturity (Note 4) was 5.0 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 41st fiscal period.

Details of Corporate Credit Ratings as of June 30, 2022

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

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

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

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

(Note 4) Average maturity is arrived at by calculating a weighted average of maturities from the end of the 41st fiscal period to the repayment deadlines for all interest-bearing debts based on the balance of each interest-bearing debt.

d) Operating Results and Cash Distributions

As a result of the aforementioned management performance, JPR posted operating revenue of 18,357 million yen, ordinary income of 8,607 million yen and net income of 8,607 million yen for its 41st fiscal period ended June 30, 2022. With regard to the cash distributions, JPR decided to distribute part of the retained earnings brought forward that had been internally reserved through the 40th fiscal period, with the aim of having the profit distributions deducted as expenses based on application of the special provision on taxation of investment corporations (Article 67-15 of the Act on Special Measures Concerning Taxation) and in order to minimize the burden to unitholders incurred by accrual of corporate income tax, etc. JPR also decided to internally reserve 830 million yen as reserve for reduction entry from the unappropriated retained earnings, in application of the Special Provisions for Taxation in Cases of Repurchase of Specified Assets (Article 65-7 of the Act on Special Measures Concerning Taxation). As a result, the cash distribution per unit came to 7,800 yen for the 41st fiscal period.

2) Forecast for the Next Fiscal Period

a) Outlook for Management Status

Looking ahead, the Japanese economy is expected to continue showing a pickup, with domestic demand recovering mainly in consumer spending and restrictions on supply of semiconductors and other products loosening, among other factors, in light of anticipations for normalization of socio-economic activities making progress to a certain degree while impact of COVID 19 still lingering. However, attention should be paid to general prices rising globally against the backdrop of the Ukraine situation, etc. and the impacts of fluctuations in the financial and capital markets associated with rising interest rates, among other factors. In addition, JPR will continue to pay close attention to the impact of the COVID-19 infections.

The office property leasing market is anticipated to hit the bottom in a gradually increasing manner, but close attention must be paid to the impact of the increased supply of office buildings in Central Tokyo anticipated for 2023. It must also be taken into consideration that electricity charges are increasing in association with the rise in crude oil and natural gas prices. Under these circumstances, JPR is resolved to continue its endeavors to enhance the competitiveness of its owned properties, as it has focused on improving tenant satisfaction through proactive implementation of value enhancement works and provision of elaborate management services.

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

i) Acquisition of New Properties and Asset Replacement

JPR will continue to make investment focused on office properties in the Tokyo area, with an aim to improve the quality of its portfolio and enhance its growth potential and stability over the long term. In the for-sale office property market, the purchase cap rate and expected cap rate levels are still low, with properties remaining in short supply. Although close attention must be paid to the trends in the leasing market going forward, JPR will fully investigate the stability and growth potential of candidate properties when acquiring them. As for retail properties, etc., JPR will work to invest in strictly selected blue-chip properties that can maintain stable revenues at a certain level in order to complement the stability of earnings of the entire portfolio. In doing so, JPR will have to be more prudent in investigating, paying close attention to sales trends, etc. of such properties under the influence of COVID-19. JPR will continue its endeavors to acquire new properties under reasonable terms by negotiating prices based on detailed market studies and property due diligence.

Moreover, JPR will continue to make investment decisions after proactive collection of information through such sources as sponsors of TRIM (Tokyo Tatemono Co., Ltd., Yasuda Real Estate Co., Ltd., Taisei Corporation and Meiji Yasuda Life Insurance Company), accurately assessing market trends and carefully researching investment value, including the future potential of candidate properties.

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

ii) Management of Portfolio

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

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

iii) Fund Procurement

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

iv) Information Disclosure

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

v) Significant Subsequent Events

There are no material subsequent events for this fiscal period.

<Reference Information>

Property Sale

JPR concluded a sale agreement regarding the following property on December 23, 2021.

< JPR Umeda Loft Bldg. (30.0% co-ownership interest)>

Asset type: Beneficiary interest (30.0% co-ownership interest)
 Sale price: 5,250 million yen
 Delivery date: December 23, 2022 (scheduled)
 Buyer: MBS Media Holdings, Inc.
 Impact on operating results: JPR plans to record approximately 1,343 million yen in gain on sale of real estate as operating revenue for the fiscal period ending December 2022 (July 1, 2022 – December 31, 2022).

b) Outlook for Management Status (Operating Results)

JPR expects the following management status in the 42nd fiscal period (from July 1, 2022 to December 31, 2022) and the 43rd fiscal period (from January 1, 2023 to June 30, 2023).

	42nd Fiscal Period	43rd Fiscal Period
Operating revenue	18,472 million yen	17,029 million yen
Operating income	9,393 million yen	8,138 million yen
Ordinary income	8,579 million yen	7,359 million yen
Net income	8,578 million yen	7,359 million yen
Distribution per unit	7,750 yen	7,600 yen
Exceeding profit distribution per unit	- yen	- yen

For the assumptions underlying this outlook of management status, please refer to “Assumptions for the 42nd Fiscal Period (from July 1, 2022 to December 31, 2022) and the 43rd Fiscal Period (from January 1, 2023 to June 30, 2023)” shown below.

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

Assumptions for the 42nd Fiscal Period (from July 1, 2022 to December 31, 2022) and
the 43rd Fiscal Period (from January 1, 2023 to June 30, 2023)

Item	Assumptions
Operation Period	42nd fiscal period: from July 1, 2022 to December 31, 2022 (investment period: 184 days) 43rd fiscal period: from January 1, 2023 to June 30, 2023 (investment period: 181 days)
Property Portfolio	<ul style="list-style-type: none"> On the basis of the 67 properties owned by JPR as of August 16, 2022, it is assumed that JPR will sell JPR Umeda Loft Bldg. (30% co-ownership interest) scheduled for December 23, 2022. In practice, this assumption may vary due to such events as acquisition of additional properties or sale of existing properties other than the above-mentioned property.
Operating Revenue	<ul style="list-style-type: none"> Real estate rental revenues are calculated on the basis of the lease contracts effective as of June 30, 2022, 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. Gain on sale of real estate is assumed to be 1,343 million yen for the 42nd 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 703 million yen for the 42nd fiscal period and 700 million yen for the 43rd fiscal period. For property taxes and city planning taxes, JPR assumes 2,505 million yen for the 42nd fiscal period and 2,600 million yen for the 43rd fiscal period. In general practice, the property taxes and city planning taxes levied on properties acquired are settled after prorating for the period with the previous owner at the time of acquisition, but JPR includes the amount equivalent to such settlement in the acquisition costs for the properties. For expenditures for the repair and maintenance of buildings, the amount expected to be required in each of the fiscal periods has been recorded. However, the expenditures for repair and maintenance for each of the fiscal periods could differ significantly from the estimated amount, as expenditures may arise due to damage to the building caused by unexpected factors, etc., and because the variance in amounts generally tends to grow from year to year and repair expenses do not arise regularly. Depreciation is calculated using the straight line method, including additional future capital expenditures. Depreciation is assumed to be 2,059 million yen for the 42nd fiscal period and 2,055 million yen for the 43rd 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 1,063 million yen for the 42nd fiscal period and 924 million yen for the 43rd 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 3 million yen for the 42nd fiscal period and 31 million yen for the 43rd fiscal period.
Non-Operating Expenses	<ul style="list-style-type: none"> As for major non-operating expenses, JPR assumes 802 million yen for the 42nd fiscal period and 800 million yen for the 43rd fiscal period for interest expenses, borrowing expenses, interest expenses on investment corporation bonds and amortization of investment corporation bond issuance costs, etc.
Interest-Bearing Debt and Ratio of Interest-Bearing Debt to Total Assets	<ul style="list-style-type: none"> The ratio of interest-bearing debt to total assets as of August 16, 2022, stands at 40.0%, with interest-bearing debts of 202,900 million yen (comprised of 165,000 million yen in long-term loans payable and 37,900 million yen in investment corporation bonds). It is assumed that all interest-bearing debt for which repayment (redemption) dates will arrive during the 42nd and 43rd fiscal periods will be refinanced. The ratio of interest-bearing debt to total assets is assumed to be 40.0% at the end of the 42nd fiscal period and 40.0% at the end of the 43rd fiscal period. The following formula is used in calculating the ratio of interest-bearing debt to total assets in this table. $\text{Ratio of interest-bearing debt to total assets} = \frac{\text{Expected total interest-bearing debt}}{\text{Expected total assets}} \times 100$
Total Units Outstanding	<ul style="list-style-type: none"> The total number of investment units issued and outstanding is 997,178 units as of August 16, 2022, and it is assumed that no additional investment units will be issued.

Item	Assumptions
Distribution Per Unit	<ul style="list-style-type: none"> • For distribution per unit (DPU), it is assumed that all revenues will be distributed based on the distribution methods provided in the Articles of Incorporation. • As for the gain on sale of real estate JPR expects to record for the 42nd fiscal period (1,343 million yen), it is assumed that 850 million yen will be internally reserved as reserve for reduction entry, in application of the Special Provisions for Taxation in Cases of Repurchase of Specified Assets as provided in Article 65-7 of the Act on Special Measures Concerning Taxation, for the purpose of stable management and cash distributions in the future. • DPU for the 43rd fiscal period ending June 2023 is calculated on the assumption that part of the reserve for reduction entry (219 million yen) will be reversed and distributed. • There is the possibility that the distribution per unit may vary due to various factors including variation of rental revenues due to acquisition or sale of assets under management and tenant replacement, and unpredicted repairs and maintenance.
Exceeding Profit Distribution Per Unit	<ul style="list-style-type: none"> • Distribution of monies exceeding the profit is currently not assumed.
Others	<ul style="list-style-type: none"> • It is assumed that there will be no changes in legislation, taxation, accounting standards, regulations applying to publicly listed companies, rules and requirements imposed by the Investment Trusts Association, Japan that will impact the aforementioned forecast. • It is also assumed that there will be no unexpected material changes in general economic and real estate market conditions.

2. Financial Statements

(1) Balance Sheets

(Thousands of Yen)

	End of 40th Fiscal Period (Dec. 31, 2021)	End of 41st Fiscal Period (Jun. 30, 2022)
Assets		
Current assets		
Cash and deposits	¥22,803,957	¥26,708,733
Cash and deposits in trust	12,743,466	12,848,490
Operating accounts receivable	315,031	492,985
Prepaid expenses	132,731	127,655
Consumption taxes receivable	346,039	—
Other	15,989	42,311
Total current assets	36,357,215	40,220,177
Noncurrent assets		
Property, plant and equipment		
Buildings	66,302,138	68,379,448
Accumulated depreciation	(22,029,896)	(22,902,238)
Buildings, net	44,272,242	45,477,209
Buildings in trust	98,874,885	98,413,791
Accumulated depreciation	(37,976,679)	(38,619,956)
Buildings in trust, net	60,898,205	59,793,834
Structures	78,936	88,829
Accumulated depreciation	(34,426)	(36,612)
Structures, net	44,510	52,216
Structures in trust	125,139	127,940
Accumulated depreciation	(79,475)	(80,917)
Structures in trust, net	45,664	47,022
Machinery and equipment	826,696	834,144
Accumulated depreciation	(548,197)	(565,442)
Machinery and equipment, net	278,499	268,702
Machinery and equipment in trust	1,980,756	2,017,750
Accumulated depreciation	(1,507,805)	(1,537,147)
Machinery and equipment in trust, net	472,951	480,602
Tools, furniture and fixtures	186,134	215,516
Accumulated depreciation	(98,400)	(108,569)
Tools, furniture and fixtures, net	87,734	106,946
Tools, furniture and fixtures in trust	279,230	295,521
Accumulated depreciation	(185,202)	(195,072)
Tools, furniture and fixtures in trust, net	94,028	100,448
Land	129,361,642	139,394,811
Land in trust	210,654,006	207,559,589
Construction in progress	1,077	2,583
Construction in progress in trust	1,865	42,610
Total property, plant and equipment	446,212,429	453,326,577
Intangible assets		
Leasehold right	11,801,831	11,801,831
Other	2,307	2,970
Total intangible assets	11,804,138	11,804,801
Investments and other assets		
Investment securities	88,860	88,860
Lease and guarantee deposits	740,252	784,089
Long-term prepaid expenses	200,454	554,046
Other	710	710
Total investments and other assets	1,030,276	1,427,705
Total noncurrent assets	459,046,844	466,559,084
Deferred assets		
Investment corporation bond issuance costs	195,018	180,345
Investment unit issuance expenses	16,402	46,206
Total deferred assets	211,420	226,551
Total assets	¥495,615,481	¥507,005,813

(Thousands of Yen)

	End of 40th Fiscal Period (Dec. 31, 2021)	End of 40st Fiscal Period (Jun. 30, 2022)
Liabilities		
Current liabilities		
Operating accounts payable	¥2,910,219	¥2,677,555
Short-term loans payable	12,000,000	-
Current portion of investment corporation bonds	-	2,000,000
Current portion of long-term loans payable	18,500,000	16,000,000
Accounts payable-other	1,124,191	1,057,202
Accrued expenses	92,329	86,586
Income taxes payable	605	605
Accrued consumption taxes	173,458	542,378
Advances received	2,886,309	2,813,178
Other	24,221	1,215
Total current liabilities	37,711,335	25,178,722
Noncurrent liabilities		
Investment corporation bonds	37,900,000	35,900,000
Long-term loans payable	138,500,000	149,000,000
Tenant leasehold and security deposits	9,787,659	10,081,605
Tenant leasehold and security deposits in trust	14,066,877	13,932,856
Total noncurrent liabilities	200,254,537	208,914,462
Total liabilities	237,965,873	234,093,184
Net assets		
Unitholders' equity		
Unitholders' capital	247,860,796	261,751,240
Surplus		
Voluntary reserve		
Reserve for reduction entry	1,887,437	2,546,454
Total voluntary reserve	1,887,437	2,546,454
Unappropriated retained earnings (undisposed loss)	7,901,374	8,614,933
Total surplus	9,788,811	11,161,388
Total unitholders' equity	257,649,607	272,912,629
Total net assets	257,649,607	272,912,629
Total liabilities and net assets	¥495,615,481	¥507,005,813

(2) Statements of Income and Retained Earnings

(Thousands of Yen)

	40th Fiscal Period (Jul. 1, 2021 – Dec. 31, 2021)	41st Fiscal Period (Jan. 1, 2022 – Jun. 30, 2022)
Operating revenue		
Rent revenue-real estate	¥16,382,659	¥17,019,663
Gain on sale of real estate	1,870,956	1,338,228
Total operating revenue	18,253,616	18,357,892
Operating expenses		
Expenses related to rent business	7,731,428	7,946,916
Loss on sale of real estate	856,197	–
Asset management fee	750,590	802,633
Administrative service and asset custody fees	82,715	83,054
Directors' compensation	5,600	6,300
Trust fees	19,806	17,361
Other operating expenses	180,632	158,329
Total operating expenses	9,626,970	9,014,594
Operating income	8,626,646	9,343,297
Non-operating income		
Interest income	208	192
Income on settlement of management association accounts	4,350	39,536
Insurance income	12,475	1,449
Other	2,266	2,387
Total non-operating income	19,301	43,565
Non-operating expenses		
Interest expenses	505,001	510,215
Borrowing expenses	28,240	38,869
Interest expenses on investment corporation bonds	196,606	200,124
Amortization of investment corporation bond issuance costs	15,166	14,672
Amortization of investment unit issuance expenses	7,084	14,727
Other	266	284
Total non-operating expenses	752,365	778,893
Ordinary income	7,893,582	8,607,969
Income before income taxes	7,893,582	8,607,969
Income taxes-current	605	605
Total income taxes	605	605
Net income	7,892,977	8,607,364
Retained earnings brought forward	8,396	7,569
Unappropriated retained earnings (undisposed loss)	¥7,901,374	¥8,614,933

(3) Statements of Changes in Unitholders' Equity

(Thousands of Yen)

	40th Fiscal Period (Jul. 1, 2021 – Dec. 31, 2021)	41st Fiscal Period (Jan. 1, 2022 – Jun. 30, 2022)
Unitholders' equity		
Unitholders' capital		
Balance at beginning of current period	¥247,860,796	¥247,860,796
Changes of items during the period		
Issuance of units		13,890,444
Total changes of items during the period	–	13,890,444
Balance at end of current period	247,860,796	261,751,240
Surplus		
Voluntary reserve		
Balance at beginning of current period	1,103,494	1,887,437
Changes of items during the period		
Provision of reserve for reduction entry	783,942	659,017
Total changes of items during the period	783,942	659,017
Balance at end of current period	1,887,437	2,546,454
Unappropriated retained earnings (undisposed loss)		
Balance at beginning of current period	8,129,659	7,901,374
Changes of items during the period		
Provision of reserve for reduction entry	(783,942)	(659,017)
Dividends from surplus	(7,337,320)	(7,234,787)
Net income	7,892,977	8,607,364
Total changes of items during the period	(228,284)	713,559
Balance at end of current period	7,901,374	8,614,933
Total surplus		
Balance at beginning of current period	9,233,153	9,788,811
Changes of items during the period		
Provision of reserve for reduction entry	–	–
Dividends from surplus	(7,337,320)	(7,234,787)
Net income	7,892,977	8,607,364
Total changes of items during the period	555,657	1,372,576
Balance at end of current period	9,788,811	11,161,388
Total unitholders' equity		
Balance at the beginning of current period	257,093,950	257,649,607
Changes of items during the period		
Issuance of units		13,890,444
Provision of reserve for reduction entry	–	–
Dividends from surplus	(7,337,320)	(7,234,787)
Net income	7,892,977	8,607,364
Total changes of items during the period	555,657	15,263,021
Balance at end of current period	257,649,607	272,912,629
Total net assets		
Balance at beginning of current period	257,093,950	257,649,607
Changes of items during the period		
Issuance of units		13,890,444
Provision of reserve for reduction entry	–	–
Dividends from surplus	(7,337,320)	(7,234,787)
Net income	7,892,977	8,607,364
Total changes of items during the period	555,657	15,263,021
Balance at end of current period	¥257,649,607	¥272,912,629

(4) Statements of Cash Distributions

	40th Fiscal Period (Jul. 1, 2021 – Dec. 31, 2021)	41st Fiscal Period (Jan. 1, 2022 – Jun. 30, 2022)
I. Unappropriated retained earnings	7,901,374,244 yen	8,614,933,824 yen
II. Distribution amount	7,234,787,500 yen	7,777,988,400 yen
(Distribution amount per unit)	(7,550 yen)	(7,800 yen)
III. Voluntary reserve		
Provision of reserve for reduction entry	659,017,396 yen	830,016,338 yen
IV. Retained earnings carried forward	7,569,348 yen	6,929,086 yen
Method for calculating distribution amount	<p>Pursuant to the policy on cash distributions provided in Article 30 (2) of the Articles of Incorporation of JPR, the distribution amount shall be in excess of an amount equivalent to 90% of the “distributable income amount” as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation, but no more than the amount of earnings. Based on such policy, JPR decided to pay out distributions of earnings of 7,234,787,500 yen, which is the largest integral multiple of the total number of investment units issued and outstanding (958,250 units), from the balance of unappropriated retained earnings after deducting the provision of reserve for reduction entry pursuant to Article 65-7of the Act on Special Measures Concerning Taxation, while minimizing the burden to unitholders incurred by accrual of corporate income tax, etc. Furthermore, JPR shall not distribute cash in excess of earnings as stipulated in Article 30 (4) of the Articles of Incorporation.</p>	<p>Pursuant to the policy on cash distributions provided in Article 30 (2) of the Articles of Incorporation of JPR, the distribution amount shall be in excess of an amount equivalent to 90% of the “distributable income amount” as stipulated in Article 67-15 of the Act on Special Measures Concerning Taxation, but no more than the amount of earnings. Based on such policy, JPR decided to pay out distributions of earnings of 7,777,988,400 yen, which is the largest integral multiple of the total number of investment units issued and outstanding (997,178 units), from the balance of unappropriated retained earnings after deducting the provision of reserve for reduction entry pursuant to Article 65-7of the Act on Special Measures Concerning Taxation, while minimizing the burden to unitholders incurred by accrual of corporate income tax, etc. Furthermore, JPR shall not distribute cash in excess of earnings as stipulated in Article 30 (4) of the Articles of Incorporation.</p>

(5) Statements of Cash Flows

(Thousands of Yen)

	40th Fiscal Period (Jul. 1, 2021 – Dec. 31, 2021)	41st Fiscal Period (Jan. 1, 2022 – Jun. 30, 2022)
Net cash provided by (used in) operating activities		
Income before income taxes	¥7,893,582	¥8,607,969
Depreciation and amortization	2,128,201	2,046,347
Amortization of investment corporation bond issuance costs	15,166	14,672
Amortization of investment unit issuance expenses	7,084	14,727
Interest income	(208)	(192)
Interest expenses	701,608	710,339
Decrease (increase) in operating accounts receivable	(43,613)	(177,953)
Decrease (increase) in consumption taxes receivable	(346,039)	346,039
Decrease (increase) in prepaid expenses	(2,974)	5,076
Increase (decrease) in operating accounts payable	115,463	(17,856)
Increase (decrease) in accounts payable-other	14,414	(67,972)
Increase (decrease) in accrued consumption taxes	(305,133)	368,920
Increase (decrease) in advances received	(109,635)	(73,131)
Decrease in property, plant and equipment in trust due to sale	9,434,509	3,727,070
Decrease in intangible assets due to sale	303	–
Other, net	(7,993)	(470,497)
Subtotal	19,494,737	15,033,561
Interest income received	208	192
Interest expenses paid	(700,416)	(716,082)
Income taxes (paid) refund	(605)	(602)
Net cash provided by (used in) operating activities	18,793,924	14,317,068
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(752,677)	(11,976,312)
Purchase of property, plant and equipment in trust	(29,160,741)	(1,125,644)
Purchase of investment securities	(88,860)	–
Payments of lease and guarantee deposits	(50,954)	(43,836)
Repayments of tenant leasehold and security deposits	(279,722)	(538,677)
Proceeds from tenant leasehold and security deposits	405,874	877,788
Repayments of tenant leasehold and security deposits in trust	(781,974)	(678,824)
Proceeds from tenant leasehold and security deposits in trust	833,127	566,303
Other, net	(710)	–
Net cash provided by (used in) investing activities	(29,876,637)	(12,919,203)
Net cash provided by (used in) financing activities		
Proceeds from short-term loans payable	14,400,000	–
Repayment of short-term loans payable	(4,400,000)	(12,000,000)
Proceeds from long-term loans payable	8,000,000	18,500,000
Repayment of long-term loans payable	(10,000,000)	(10,500,000)
Proceeds from issuance of investment corporation bonds	2,364,727	–
Proceeds from issuance of investment units	–	13,845,913
Dividends paid	(7,337,192)	(7,233,977)
Net cash provided by (used in) financing activities	3,027,534	2,611,935
Net changes in cash and cash equivalents	(8,055,178)	4,009,800
Cash and cash equivalents at beginning of current period	43,602,602	35,547,423
Cash and cash equivalents at end of current period	¥35,547,423	¥39,557,224

(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 March 28, 2022).

(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 40th Fiscal Period	End of 41st Fiscal Period
	(as of December 31, 2021)	(as of June 30, 2022)
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 40th Fiscal Period	End of 41st Fiscal Period
	(as of December 31, 2021)	(as of June 30, 2022)
	¥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)	
	40th Fiscal Period (July 1, 2021 – December 31, 2021)	41st Fiscal Period (January 1, 2022 – June 30, 2022)
A. Rent Revenue-Real Estate		
Rent Revenue		
Rents	¥11,911,724	¥12,546,684
Land rents	1,802,000	1,802,000
Common charges	1,384,623	1,352,858
Parking fees	264,921	278,951
Advertising fees	36,937	36,602
Antenna usage fees	29,020	28,943
Other	45,950	46,012
Subtotal	15,475,177	16,092,051
Other rental revenues		
Incidental rent income	787,919	798,305
Time-based parking fees	8,725	14,092
Cancellation charges	10,473	11,173
Income equivalent to expenses for restoration to original condition	56,320	42,263
Other miscellaneous income	44,043	61,777
Subtotal	907,481	927,611
Total rent revenue-real estate	16,382,659	17,019,663
B. Expenses Related to Rent Business		
Outsourcing expenses	¥628,945	¥699,677
Utilities expenses	849,905	952,258
Property and other taxes	2,422,872	2,523,554
Casualty insurance	27,256	29,368
Repairs and maintenance	532,237	469,805
Property management fees	289,978	307,961
Management association accounts	612,129	630,331
Depreciation	2,127,848	2,045,976
Other	240,253	287,982
Total expenses related to rent business	7,731,428	7,946,916
C. Profits for Rent Business (A-B)	8,651,231	9,072,747

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

40th fiscal period (July 1, 2021 – December 31, 2021)	(Thousands of yen)
Part of land of Shibadaimon Center Bldg.	
Proceeds from sale of real estate	¥110,000
Cost of sale of real estate	8,838
Other expenses related to sale	3,835
Gain on sale of real estate	97,325
JPR Umeda Loft Bldg. (40.0% co-ownership interest)	
Proceeds from sale of real estate	¥7,000,000
Cost of sale of real estate	4,980,376
Other expenses related to sale	245,992
Gain on sale of real estate	1,773,631
Tokyo Tatemono Honmachi Bldg.	
Proceeds from sale of real estate	¥3,600,000
Cost of sale of real estate	4,445,597
Other expenses related to sale	10,600
Loss on sale of real estate	856,197
41st fiscal period (January 1, 2022 – June 30, 2022)	(Thousands of yen)
JPR Umeda Loft Bldg. (30.0% co-ownership interest)	
Proceeds from sale of real estate	¥5,250,000
Cost of sale of real estate	3,727,070
Other expenses related to sale	184,700
Gain on sale of real estate	1,338,228

Notes to Statements of Changes in Unitholders' Equity

	40th Fiscal Period (July 1, 2021 – December 31, 2021)	41st Fiscal Period (January 1, 2022 – June 30, 2022)
Total number of authorized units and number of units outstanding		
Total number of authorized units	5,000,000 units	5,000,000 units
Number of units outstanding	958,250 units	997,178 units

Financial Instruments

1. Matters Concerning Status of Financial Instruments

(1) Policy for Financial Instruments

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

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

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

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

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

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

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

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

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

The following are the carrying values and fair values as of December 31, 2021, of financial instruments, and the difference between these amounts. Furthermore, notes on “Cash and deposits,” “Cash and deposits in trust” and “Short-term loans payable” are omitted as these are settled with cash and within a short period of time and thus the book value approximates the fair value. Notes on “Investment securities” and “Tenant leasehold and security deposits” and “Tenant leasehold and security deposits in trust” are also omitted as they lack materiality.

	(Thousands of yen)		
	Carrying Value (Note 1)	Fair Value (Note 1)	Difference
(1) Current portion of investment corporation bonds	¥-	¥-	¥-
(2) Current portion of long-term loans payable	(18,500,000)	(18,528,074)	28,074
(3) Investment corporation bonds	(37,900,000)	(38,761,615)	861,615
(4) Long-term loans payable	(¥138,500,000)	(¥139,821,667)	¥1,321,667

The following are the carrying values and fair values as of June 30, 2022, of financial instruments, and the difference between these amounts. Furthermore, notes on “Cash and deposits,” “Cash and deposits in trust” and “Short-term loans payable” are omitted as these are settled with cash and within a short period of time and thus the book value approximates the fair value. Notes on “Investment securities” and “Tenant leasehold and security deposits” and “Tenant leasehold and security deposits in trust” are also omitted as they lack materiality.

	(Thousands of yen)		
	Carrying Value (Note 1)	Fair Value (Note 1)	Difference
(1) Current portion of investment corporation bonds	(¥2,000,000)	(¥2,021,000)	¥21,000
(2) Current portion of long-term loans payable	(16,000,000)	(16,061,296)	61,296
(3) Investment corporation bonds	(35,900,000)	(36,269,932)	369,932
(4) Long-term loans payable	(¥149,000,000)	(¥148,909,766)	-¥90,233

(Note 1) Liabilities are shown in parentheses.

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

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

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

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

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

(Note 3) Amount of repayment of long-term loans payable or redemption of investment corporation bonds scheduled to be due subsequent to December 31, 2021, and June 30, 2022

End of 40th Fiscal Period (as of December 31, 2021)

	(Thousands of yen)					
	Due in One Year or Less	Due after One Year through Two Years	Due after Two Years through Three Years	Due after Three Years through Four Years	Due after Four Years through Five Years	Due after Five Years
Investment corporation bonds	¥ –	¥2,000,000	¥8,000,000	¥ –	¥8,500,000	¥19,400,000
Long-term loans payable	¥18,500,000	¥21,000,000	¥15,000,000	¥23,900,000	¥14,000,000	¥64,600,000

End of 41st Fiscal Period (as of June 30, 2022)

	(Thousands of yen)					
	Due in One Year or Less	Due after One Year through Two Years	Due after Two Years through Three Years	Due after Three Years through Four Years	Due after Four Years through Five Years	Due after Five Years
Investment corporation bonds	¥2,000,000	¥5,000,000	¥3,000,000	¥ –	¥8,500,000	¥19,400,000
Long-term loans payable	¥16,000,000	¥20,000,000	¥21,000,000	¥20,900,000	¥13,000,000	¥74,100,000

Investment and Rental Properties

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

	(Thousands of yen)	
	40th Fiscal Period (July 1, 2021 – December 31, 2021)	41st Fiscal Period (January 1, 2022 – June 30, 2022)
Carrying Value on the Balance Sheets		
Balance at Beginning of Period	¥439,222,516	¥458,014,900
Amount of Increase (Decrease) during the Period	¥18,792,383	¥7,114,101
Balance at End of Current Period	¥458,014,900	¥465,129,001
Fair Value at End of Period	¥574,963,000	¥593,184,000

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

(Note 2) For the 40th fiscal period, the amount of increase is primarily attributable to the acquisition of part of land of Shibadaimon Center Bldg. (3,460 thousand yen), the acquisition of additional ownership of Rise Arena Bldg. (7,345,010 thousand yen), the acquisition of GRAND FRONT OSAKA (Umekita Plaza and South Building) (11,864,400 thousand yen) and the acquisition of GRAND FRONT OSAKA (North Building) (9,554,879 thousand yen), and the amount of decrease is primarily attributable to the sale of part of land of Shibadaimon Center Bldg. (8,838 thousand yen), the sale of Tokyo Tatemono Honmachi Bldg. (4,445,597 thousand yen), the sale of JPR Umeda Loft Bldg. (40.0% co-ownership interest) (4,980,376 thousand yen) and depreciation (2,127,848 thousand yen). For the 41st fiscal period, the amount of increase is primarily attributable to the acquisition of Tokyo Tatemono Higashi Shibuya Bldg. (11,463,589 thousand yen), and the amount of decrease is primarily attributable to the sale of JPR Umeda Loft Bldg. (30.0% co-ownership interest) (3,727,070 thousand yen) and depreciation (2,045,976 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 40th and 41st fiscal periods for investment and rental properties are as presented in the “Notes to Statements of Income and Retained Earnings.”

Revenue Recognition

40th fiscal period (July 1, 2021 – December 31, 2021)

Breakdown information on revenue from contracts with customers

(Thousands of yen)

	Revenue from Contracts with Customers (Note 1)	Sales to External Customers (Note 2)
Sale of real estate	¥10,710,000	¥1,870,956
Utilities income (Note 3)	787,919	787,919
Others	—	15,594,740
Total	11,497,919	18,253,616

41st fiscal period (January 1, 2022 – June 30, 2022)

Breakdown information on revenue from contracts with customers

(Thousands of yen)

	Revenue from Contracts with Customers (Note 1)	Sales to External Customers (Note 2)
Sale of real estate	¥5,250,000	¥1,338,228
Utilities income (Note 3)	798,305	798,305
Others	—	16,221,358
Total	6,048,305	18,357,892

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

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

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

Per Unit Information

(Yen)

	40th Fiscal Period (July 1, 2021 – December 31, 2021)	41st Fiscal Period (January 1, 2022 – June 30, 2022)
Total net assets per unit	¥268,875	¥273,684
Net income per unit	¥8,236	¥8,664

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

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

(Thousands of yen)

	40th Fiscal Period (July 1, 2021 – December 31, 2021)	41st Fiscal Period (January 1, 2021 – June 30, 2022)
Net income	¥7,892,977	¥8,607,364
Amounts not attributable to ordinary unitholders	—	—
Net income attributable to ordinary investment units	¥7,892,977	¥8,607,364
Average number of units during the fiscal period	958,250 units	993,389 units

Subsequent Events

There are no material subsequent events for this fiscal period.

Omission of Disclosure

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

(9) Changes in Investment Units Issued and Outstanding

In the 41st fiscal period, JPR issued new investment units (38,100 units through public offering and 828 units through third-party allotment) on January 18, 2022 and February 16, 2022, respectively, to procure 13,890 million yen. The changes in the number of units outstanding and unitholders' capital in the last five years are summarized as follows.

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

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

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

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

3. Reference Information

(1) JPR's Asset Structure

Asset Type	Category of Investment Area	40th Fiscal Period (as of December 31, 2021)		41st Fiscal Period (as of June 30, 2022)	
		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	98,478,170	19.9	109,961,118	21.7
	Greater Tokyo	67,625,678	13.6	67,499,150	13.3
	Other Cities	19,743,902	4.0	19,644,226	3.9
Real Estate in Trust	Central Tokyo	155,773,488	31.4	155,493,241	30.7
	Greater Tokyo	61,562,431	12.4	61,453,840	12.1
	Other Cities	54,831,227	11.1	51,077,424	10.1
Deposits and Other Assets	–	37,600,580 (–)	7.6 (–)	41,876,811 (–)	8.3 (–)
Total Assets	–	495,615,481 (458,014,900)	100.0 (92.4)	507,005,813 (465,129,001)	100.0 (91.7)

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

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

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

(2) Investment Assets

1) Overview of Investment Assets

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

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

- The table below indicates the properties JPR owned as of the end of the 41st fiscal period.
- JPR defines the categories of investment areas as designated below.

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

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

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

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

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

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

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

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

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

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

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

Area	Type	Property Name	Location	Site Area (m ²)	Total Floor Space (m ²)	Structure/Floors	Completed
Central Tokyo	Office	Kanematsu Bldg.	Kyobashi 2-chome, Chuo-ku, Tokyo	1,751.13	14,995.09	S, RC, SRC B2/13F	Feb. 1993
		Kanematsu Bldg. Annex	Kyobashi 2-chome, Chuo-ku, Tokyo	679.06	4,351.46	SRC B1/8F	Feb. 1993
		JPR Ningyo-cho Bldg.	Nihonbashi Ningyocho 1-chome, Chuo-ku, Tokyo	550.06	4,117.70	SRC, RC B1/8F	Dec. 1989
		Shin-Kojimachi Bldg.	Kojimachi 4-chome, Chiyoda-ku, Tokyo	657.80	5,152.98	SRC B1/9F	Oct. 1984
		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.	Kojimachi 5-chome, Chiyoda-ku, Tokyo	643.13	4,438.46	S B1/9F	Feb. 1999
		Otemachi Financial City North Tower	Otemachi 1-chome, Chiyoda-ku, Tokyo	15,838.93	239,769.07	S, SRC B4/35F	Oct. 2012
		Tokyo Tatemono Higashi Shibuya Bldg.	Higashi 1-chome, Shibuya-ku, Tokyo	2,643.15	15,662.20	S, RC, SRC B3/14F	May 1993
		Retail, etc.	JPR Shibuya Tower Records Bldg.	Jinnan 1-chome, Shibuya-ku, Tokyo	1,010.47	8,449.56	SRC, S B3/8F
	JPR Jingumae 432		Jingumae 4-chome, Shibuya-ku, Tokyo	198.10	1,066.81	S, SRC B1/7F	Feb. 2006
	Shinjuku Sanhome East Bldg.		Shinjuku 3-chome, Shinjuku-ku, Tokyo	2,578.69	24,617.65	S, SRC, RC B3/14F	Jan. 2007
	Yurakucho Ekimae Bldg. (Yurakucho Itocia)		Yurakucho 2-chome, Chiyoda-ku, Tokyo	6,808.12	71,957.65	S, SRC B4/20F	Oct. 2007
	JPR Ginza Namiki-dori Bldg.		Ginza 5-chome, Chuo-ku, Tokyo	230.11	1,821.67	S 11F	Jun. 2008
FUNDES Suidobashi	Kanda Misakicho 2-chome, Chiyoda-ku, Tokyo		281.59	1,477.91	S 9F	Jul. 2015	

Area	Type	Property Name	Location	Site Area (m ²)	Total Floor Space (m ²)	Structure/Floors	Completed
Greater Tokyo	Office	Arca East	Kinshi 3-chome, Sumida-ku, Tokyo	3,755.01	34,281.86	S, SRC B3/19F	Mar. 1997
		JPR Chiba Bldg.	Shinmachi, Chuo-ku, Chiba, Chiba	1,382.35	9,072.57	S, SRC B1/13F	Jan. 1991
		JPR Yokohama Nihon Odori Bldg.	Nihon-Odori, Naka-ku, Yokohama, Kanagawa	1,100.59	9,146.52	SRC B1/11F	Oct. 1989
		Shinyokohama 2nd Center Bldg.	Shinyokohama 3-chome, Kohoku-ku, Yokohama, Kanagawa	841.71	7,781.93	S, SRC B2/12F	Aug. 1991
		Kawaguchi Center Bldg.	Honcho 4-chome, Kawaguchi, Saitama	4,524.61	28,420.85	S, SRC B2/15F	Feb. 1994
		JPR Ueno East Bldg.	Matsugaya 1-chome, Taito-ku, Tokyo	1,242.97	8,490.44	S, SRC B1/8F	Oct. 1992
		Tachikawa Business Center Bldg.	Akebonocho 2-chome, Tachikawa, Tokyo	2,047.22	14,706.36	S, SRC B1/12F	Dec. 1994
		Rise Arena Bldg.	Higashi-Ikebukuro 4-chome, Toshima-ku, Tokyo	9,377.28	91,280.94	RC, SRC, S B3/42F	Jan. 2007
		Yume-ooka Office Tower	Kamiooka Nishi 1-chome, Konan-ku, Yokohama, Kanagawa	12,011.00	185,974.87	S, SRC, RC B3/27F	Mar. 1997
		Olinas Tower	Taihei 4-chome, Sumida-ku, Tokyo	27,335.29	257,842.41	SRC, RC, S B2/45F	Feb. 2006
		JPR Yokohama Bldg.	Kitasaiwai 1-chome, Nishi-ku, Yokohama, Kanagawa	1,110.28	8,772.51	SRC B1/9F	May 1981
		JPR Omiya Bldg. (Note)	Shimocho 2-chome, Omiya-ku, Saitama, Saitama	2,268.09	9,203.98	S 9F	Feb. 2009
		Sencity Bldg.	Shinmachi, Chuo-ku, Chiba, Chiba	20,054.15	158,663.55	S, SRC B2/23F	Apr. 1993 Aug. 1998 Expanded
		Retail, etc.	Tanashi ASTA	Tanashicho 2-chome, Nishitokyo, Tokyo	12,326.30	80,675.27	SRC B2/17F
Cupo-la Main Bldg.	Kawaguchi 1-chome, Kawaguchi, Saitama		15,008.28	48,321.96	S, RC, SRC B2/10F	Jan. 2006	
JPR Musashikosugi Bldg.	Kosugimachi 3-chome, Nakahara-ku, Kawasaki, Kanagawa		4,757.09	18,394.32	SRC, RC, S B1/6F	Mar. 1983	
Musashiurawa Shopping Square	Bessho 7-chome, Minami-ku, Saitama, Saitama		8,317.99	28,930.36	S B1/4F	Oct. 2005	
Kawasaki Dice Bldg.	Ekimae-Honcho, Kawasaki-ku, Kawasaki, Kanagawa		4,475.45	36,902.01	S, SRC, RC B2/11F	Aug. 2003	
FUNDES Ueno	Ueno 7-chome, Taito-ku, Tokyo		383.74	2,235.60	S B1/10F	Jul. 2017	
Other Cities	Office	Niigata Ekinan Center Bldg.	Yoneyama 1-chome, Chuo-ku, Niigata, Niigata	2,706.99	19,950.42	S, SRC B1/10F	Mar. 1996
		JPR Naha Bldg.	Matsuyama 1-chome, Naha, Okinawa	959.87	5,780.71	SRC, S 12F	Oct. 1991
		Sompo Japan Sendai Bldg.	Tsutsujigaoka 3-chome, Miyagino-ku, Sendai, Miyagi	1,895.67	10,783.52	SRC B1/12F	Dec. 1997
		Sompo Japan Wakayama Bldg.	Misonocho 3-chome, Wakayama, Wakayama	1,128.45	6,715.07	S 9F	Jul. 1996
		Tenjin 121 Bldg.	Tenjin 1-chome, Chuo-ku, Fukuoka, Fukuoka	1,164.39	8,690.95	S, SRC 13F	Jul. 2000
		JPR Dojima Bldg.	Sonezaki-Shinchi 2-chome, Kita-ku, Osaka, Osaka	668.11	5,696.01	SRC B2/9F	Oct. 1993
		JPR Nagoya Fushimi Bldg.	Sakae 1-chome, Naka-ku, Nagoya, Aichi	1,610.38	10,201.44	SRC B1/9F	Mar. 1991
		Yakuin Business Garden	Yakuin 1-chome, Chuo-ku, Fukuoka, Fukuoka	4,486.44	22,286.35	SRC 14F	Jan. 2009
		JPR Shinsaibashi Bldg.	Minamisemba 4-chome, Chuo-ku, Osaka, Osaka	609.31	5,303.98	S B2/10F	Feb. 2003 Jan. 2005 Expanded
		JPR Shinsaibashi West	Minamisemba 4-chome, Chuo-ku, Osaka, Osaka	1,405.74	7,738.47	SRC B1/8F	Sep. 1986 Feb. 2007 Expanded
		GRAND FRONT OSAKA (Umekita Plaza and South Building)	Ofuka-cho, Kita-ku, Osaka, Osaka	20,488.08	191,597.49	RC, S B2/2F (Umekita Plaza) S, SRC B3/38F (South Building)	Feb. 2013 (Umekita Plaza) Mar. 2013 (South Building)
		GRAND FRONT OSAKA (North Building)	Ofuka-cho, Kita-ku, Osaka, Osaka	22,680.03	290,030.59	S, SRC B3/38F	Feb. 2013
		Retail, etc.	JPR Umeda Loft Bldg.	Chayamachi, Kita-ku, Osaka, Osaka	3,518.68	17,897.56	SRC B1/8F
Housing Design Center Kobe	Higashi-Kawasakicho 1-chome, Chuo-ku, Kobe, Hyogo		3,994.47	33,877.71	SRC, S B2/11F	Jun. 1994	
JPR Chayamachi Bldg.	Chayamachi, Kita-ku, Osaka, Osaka		592.45	3,219.36	S, SRC 9F	Jun. 1994	

(Note) The property was renamed from Omiya Prime East to JPR Omiya Bldg. as of May 1, 2022. The same shall apply hereinafter.

2) Price and Investment Ratio

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

Japan Real Estate Institute	JPR Ningyo-cho Bldg., Shin-Kojimachi Bldg., MS Shibaura Bldg., Gotanda First Bldg., Shinjuku Center Bldg., Minami Azabu Bldg., Shinagawa Canal Bldg., Rokubancho Bldg., Science Plaza- Yonbancho Plaza, Shibadaimon Center Bldg., JPR Kojimachi Bldg., Otemachi Financial City North Tower, JPR Shibuya Tower Records Bldg., Shinjuku Sanhome East Bldg., Yurakucho Ekimae Bldg. (Yurakucho Itocia), FUNDES Suidobashi, Arca East, Shinyokohama 2nd Center Bldg., Kawaguchi Center Bldg., JPR Ueno East Bldg., Tachikawa Business Center Bldg., Yume-ooka Office Tower, Olinas Tower, JPR Yokohama Bldg., JPR Omiya Bldg., Sencity Bldg., Cupo-la Main Bldg., FUNDES Ueno, Sompo Japan Sendai Bldg., Sompo Japan Wakayama Bldg., Tenjin 121 Bldg., JPR Dojima Bldg., Yakuin Business Garden, JPR Shinsaibashi West
Tanizawa Sogo Appraisal Co., Ltd.	JPR Jingumae 432, Tokyo Tatemono Higashi Shibuya Bldg., Kawasaki Dice Bldg., Niigata Ekinan Center Bldg., JPR Naha Bldg.
CBRE KK	Rise Arena Bldg., JPR Nagoya Fushimi Bldg., JPR Shinsaibashi Bldg., Housing Design Center Kobe, JPR Chayamachi Bldg.
Daiwa Real Estate Appraisal Co., Ltd.	Kanematsu Bldg., Kanematsu Bldg. Annex, JPR 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.
JLL Morii Valuation & Advisory K.K.	GRAND FRONT OSAKA (Umekita Plaza and South Building), GRAND FRONT OSAKA (North Building)

- The “Investment Ratio” in terms of the “Acquisition Price” and the “Appraisal Value at End of Period” represents the ratio of the Acquisition Price and the Appraisal Value at End of Period of respective properties, including fractions not indicated herein, to the total amounts of the Acquisition Price or the Appraisal Value at End of Period of the properties owned by JPR at end of the 41st fiscal period, indicated in a percentage rounded to the first decimal place.

Area	Type	Property Name	Acquisition Date	Acquisition Price		Appraisal Value at End of Period	
				Price (million yen)	Investment Ratio (%)	Appraisal Value (million yen)	Investment Ratio (%)
Central Tokyo	Office	Kanematsu Bldg.	Dec. 27, 2001	16,276	3.3	15,300	2.6
		Kanematsu Bldg. Annex	Dec. 27, 2001	2,874	0.6	3,300	0.6
		JPR Ningyo-cho Bldg.	Nov. 16, 2001	2,100	0.4	3,110	0.5
		Shin-Kojimachi Bldg.	Nov. 16, 2001	1,670	0.5	4,510	0.8
			Nov. 21, 2002	550			
			Nov. 12, 2004	200			
		JPR Crest Takebashi Bldg.	Jun. 21, 2002	4,000	0.8	3,790	0.6
		MS Shibaura Bldg.	Mar. 28, 2003	11,200	2.3	16,300	2.7
		Gotanda First Bldg.	Jul. 23, 2003	2,920	0.6	4,270	0.7
		JPR Ichigaya Bldg.	May 28, 2004	5,100	1.0	4,940	0.8
		Oval Court Ohsaki Mark West	Jun. 1, 2004	3,500	0.7	5,160	0.9
		Shinjuku Square Tower	Jul. 2, 2004	10,000	3.0	14,900	2.5
			Sep. 26, 2008	180			
			Mar. 25, 2015	4,000			
			Oct. 21, 2015	786			
		BYGS Shinjuku Bldg.	Nov. 9, 2004	2,900	3.1	19,400	3.3
			Apr. 12, 2005	8,921			
			Jul. 13, 2010	3,300			
		Across Shinkawa Bldg. Annex	Nov. 26, 2004	710	0.1	804	0.1
		Shinjuku Center Bldg.	Mar. 27, 2008	21,000	4.3	19,500	3.3
		Minami Azabu Bldg.	Jul. 14, 2008	3,760	0.8	3,420	0.6
		Shinagawa Canal Bldg.	Dec. 19, 2008	1,870	0.4	2,360	0.4
			Mar. 8, 2019	171			
		Rokubancho Bldg.	Dec. 2, 2009	2,800	0.6	3,730	0.6
		JPR Harajuku Bldg.	Dec. 25, 2009	8,400	1.7	10,500	1.8
		JPR Nihonbashi-horidome Bldg.	Mar. 31, 2010	5,100	1.0	6,820	1.1
		JPR Sendagaya Bldg.	May 31, 2010	15,050	3.1	11,900	2.0
		Ginza Sanwa Bldg.	Aug. 29, 2011	3,400	0.7	3,730	0.6
		Otemachi Tower (Land with Leasehold Interest)	Mar. 13, 2012	36,000	7.3	54,600	9.2
		Science Plaza-Yonbancho Plaza	Dec. 6, 2013	2,660	0.5	3,480	0.6
		Shibadaimon Center Bldg.	Dec. 6, 2013	3,413	0.9	6,660	1.1
			Jul. 30, 2014	800			
		Tokyo Square Garden	Feb. 1, 2017	9,200	3.7	21,500	3.6
Apr. 4, 2017	9,200						
JPR Kojimachi Bldg.	Jun. 27, 2019	5,750	1.2	6,840	1.2		
Otemachi Financial City North Tower	Dec. 24, 2020	11,400	2.3	13,000	2.2		
Tokyo Tatemono Higashi Shibuya Bldg.	Jan. 18, 2022	11,300	2.3	12,100	2.0		
Retail, etc.	JPR Shibuya Tower Records Bldg.	Jun. 30, 2003	12,000	2.4	14,200	2.4	
	JPR Jingumae 432	Mar. 24, 2006	4,275	0.9	4,260	0.7	
	Shinjuku Sanchoe East Bldg.	Mar. 14, 2007	540	0.6	2,720	0.5	
		Apr. 24, 2008	2,200				
	Yurakucho Ekimae Bldg. (Yurakucho Itocia)	Aug. 27, 2008	3,400	0.7	3,360	0.6	
	JPR Ginza Namiki-dori Bldg.	Dec. 15, 2016	10,100	2.1	11,100	1.9	
FUNDES Suidobashi	Dec. 15, 2016	3,250	0.7	3,390	0.6		
Subtotal of Central Tokyo				268,226	54.5	314,954	53.1

Area	Type	Property Name	Acquisition Date	Acquisition Price		Appraisal Value at End of Period	
				Price (million yen)	Investment Ratio (%)	Appraisal Value (million yen)	Investment Ratio (%)
Greater Tokyo	Office	Arca East	Nov. 16, 2001	5,880	1.2	6,730	1.1
		JPR Chiba Bldg.	Dec. 13, 2001	2,350	0.5	1,910	0.3
		JPR Yokohama Nihon Odori Bldg.	Nov. 16, 2001	2,927	0.6	2,450	0.4
		Shinyokohama 2nd Center Bldg.	Sep. 25, 2002	920	0.3	2,600	0.4
			Mar. 28, 2013	570			
		Kawaguchi Center Bldg.	Feb. 13, 2004	8,100	1.6	11,100	1.9
		JPR Ueno East Bldg.	Mar. 1, 2004	3,250	0.7	5,840	1.0
		Tachikawa Business Center Bldg.	Sep. 30, 2005	888	0.6	4,640	0.8
			Feb. 28, 2007	2,300			
		Rise Arena Bldg.	Mar. 22, 2007	5,831	2.7	18,600	3.1
			Oct. 28, 2021	7,300			
		Yume-ooka Office Tower	Jul. 10, 2007	6,510	1.3	7,430	1.3
		Olinas Tower	Jun. 29, 2009	31,300	6.4	41,300	7.0
	JPR Yokohama Bldg.	Dec. 27, 2010	7,000	1.4	10,400	1.8	
	JPR Omiya Bldg.	Mar. 22, 2013	6,090	1.2	11,000	1.9	
	Sencity Bldg.	Mar. 27, 2020	13,870	2.8	15,100	2.5	
	Retail, etc.	Tanashi ASTA	Nov. 16, 2001	10,200	2.1	11,200	1.9
		Cupo-la Main Bldg.	Mar. 31, 2006	2,100	0.4	2,970	0.5
		JPR Musashikosugi Bldg.	Sep. 28, 2006	7,254	1.5	5,500	0.9
		Musashiurawa Shopping Square	Mar. 19, 2007	4,335	0.9	4,280	0.7
Kawasaki Dice Bldg.		Apr. 12, 2007	15,080	3.1	13,900	2.3	
FUNDES Ueno		Jun. 27, 2019	3,800	0.8	4,000	0.7	
Subtotal of Greater Tokyo				147,855	30.0	180,950	30.5
Other Cities	Office	Niigata Ekinan Center Bldg.	Nov. 16, 2001	2,140	0.4	2,170	0.4
		JPR Naha Bldg.	Nov. 16, 2001	1,560	0.3	2,300	0.4
		Sompo Japan Sendai Bldg.	Jun. 26, 2002	3,150	0.6	4,960	0.8
		Sompo Japan Wakayama Bldg.	Jun. 26, 2002	1,670	0.3	1,650	0.3
		Tenjin 121 Bldg.	Jun. 21, 2002	2,810	0.6	4,050	0.7
		JPR Dojima Bldg.	Jan. 23, 2004	2,140	0.4	3,940	0.7
		JPR Nagoya Fushimi Bldg.	Mar. 22, 2005	4,137	0.8	3,480	0.6
		Yakuin Business Garden	Aug. 8, 2012	10,996	2.2	23,000	3.9
		JPR Shinsaibashi Bldg.	May 30, 2005	5,430	1.1	4,630	0.8
		JPR Shinsaibashi West	Jan. 30, 2020	3,750	0.8	4,720	0.8
		GRAND FRONT OSAKA (Umekita Plaza and South Building) (Note 1)	Dec. 24, 2021	11,800	2.4	12,300	2.1
		GRAND FRONT OSAKA (North Building) (Note 1)	Dec. 24, 2021	9,500	1.9	10,100	1.7
	Retail, etc.	JPR Umeda Loft Bldg. (Note 2)	May 15, 2003	2,400	0.8	4,230	0.7
			Jul. 16, 2003	1,500			
		Housing Design Center Kobe	Sep. 28, 2005	7,220	1.5	7,310	1.2
JPR Chayamachi Bldg.	Aug. 30, 2006	6,000	1.2	8,440	1.4		
Subtotal of Other Cities				76,203	15.5	97,280	16.4
Total				492,284	100.0	593,184	100.0

(Note 1) In association with the acquisition of GRAND FRONT OSAKA (Umekita Plaza and South Building) and GRAND FRONT OSAKA (North Building), JPR acquired 1,666 shares in KMO Corporation for 83,740 thousand yen, a claim for refund of funds of Knowledge Capital, a general incorporated association, for 5,120 thousand yen, and a claim for refund of funds of GRAND FRONT OSAKA TMO, a general incorporated association, for 710 thousand yen.

The appraisal value at end of the 41st fiscal period of these shares and claims for refund of funds is 83,740 thousand yen for the 1,666 shares of KMO Corporation, 5,120 thousand yen for the claim for refund of funds of Knowledge Capital, and 710 thousand yen for the claim for refund of funds of GRAND FRONT OSAKA TMO.

(Note 2) For JPR Umeda Loft Bldg., JPR sold 40.0% of its co-ownership interest in real estate beneficiary interest on December 24, 2021, and 30.0% of its co-ownership interest in real estate beneficiary interest on June 30, 2022. Accordingly, the acquisition price of the property indicates the amount equivalent to 30.0% co-ownership interest JPR owns as of the end of the 41st fiscal period.

(3) Capital Expenditures

1) Planned Capital Expenditures

The following are major items of capital expenditures for renovation works, etc. planned as of the end of the 41st fiscal period for real estate and real estate in trust regarding trust beneficiary interests in real estate which JPR owns. Furthermore, the planned construction expenses include portions that are classified as expenses in accounting.

Property Name	Location	Purpose	Schedule	Planned Amount (million yen)		
				Total Value	Payment during the 41st fiscal period	Amount Already Paid
Yakuin Business Garden	Fukuoka, Fukuoka	Repair of exterior walls	May 2022 – Dec. 2022	220	–	–
JPR Harajuku Bldg.	Shibuya-ku, Tokyo	Replacement of toilets and repair of corridors in common areas	Jun. 2022 – Dec. 2022	127	–	–
Shinjuku Center Bldg.	Shinjuku-ku, Tokyo	Fourth phase of replacement of piping equipment	Jul. 2022 – Nov. 2022	67	–	–
BYGS Shinjuku Bldg.	Shinjuku-ku, Tokyo	Replacement of escalators	Oct. 2022 – Dec. 2022	65	–	–
MS Shibaura Bldg.	Minato-ku, Tokyo	First phase of reinforcement of elevators	Jul. 2021 – Aug. 2022	59	–	–
JPR Sendagaya Bldg.	Shibuya-ku, Tokyo	Repair of exterior walls	Jul. 2022 – Nov. 2022	51	–	–
JPR Ueno East Bldg.	Taito-ku, Tokyo	Repair of exterior walls	Jul. 2022 – Dec. 2022	44	–	–
JPR Shinsaibashi West	Osaka, Osaka	Replacement of elevators (No.1 and No.2)	Jun. 2022 – Dec. 2022	43	–	–
Sencity Bldg.	Chiba, Chiba	Reinforcement of elevators	Jul. 2022 – Dec. 2022	35	–	–
Housing Design Center Kobe	Kobe, Hyogo	Reinforcement of elevator (No. 3)	Sep. 2022 – Dec. 2022	35	–	–
JPR Omiya Bldg.	Saitama, Saitama	Partitioning of tenant sections	Jul. 2022 – Dec. 2022	30	–	–

2) Capital Expenditures during the 41st Fiscal Period

The following are the capital expenditure amounts JPR invested in real estate and real estate in trust during the 41st 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 481 million yen (Note), which was appropriated as expenditures for repair and maintenance.

Property Name	Location	Purpose	Period	Construction Expenses (million yen)
Shinjuku Center Bldg.	Shinjuku-ku, Tokyo	Third phase of replacement of piping equipment	Jan. 2022 – May 2022	70
Sencity Bldg.	Chiba, Chiba	Replacement of toilets in the west building	Jan. 2022 – Mar. 2022	55
JPR Shinsaibashi Bldg.	Osaka, Osaka	Second phase of replacement of air-conditioning units	Apr. 2022 – Jun. 2022	54
JPR Omiya Bldg.	Saitama, Saitama	Beautification of toilets	Apr. 2022 – May 2022	53
JPR Kojimachi Bldg.	Chiyoda-ku, Tokyo	Repair of exterior walls	Jan. 2022 – Jun. 2022	41
Kawaguchi Center Bldg.	Kawaguchi, Saitama	Repair of exterior walls	Oct. 2021 – Mar. 2022	41
Sencity Bldg.	Chiba, Chiba	Replacement of facilities at the third electrical room	Jan. 2022 – Feb. 2022	40
JPR Shinsaibashi Bldg.	Osaka, Osaka	Repair of exterior walls	Apr. 2022 – Jun. 2022	35
JPR Omiya Bldg.	Saitama, Saitama	Replacement of lighting equipment with LED lamps in exclusive areas (5th through 9th floors)	Apr. 2022 – Jun. 2022	31
Other capital expenditures		Replacement of air-conditioning units, repair of common areas, replacement of lighting equipment with LED lamps, etc.		956
Total				1,381

(Note) Expenditures for repair and maintenance included 11 million yen of construction management fees paid to construction management companies as well as the amounts for repair and maintenance construction itself.

(4) Major Investment Assets

The following is the investment property with rental revenues exceeding 10% of total rental revenues of the entire portfolio of JPR for the 41st fiscal period.

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

Total Number of Tenants	2	
Rental Revenues	1,802,000 thousand yen	
Percentage to Total Rental Revenues (Note 1)	10.6%	
Total Leased Floor Space (Note 2)	11,034.78 m ²	
Total Leasable Floor Space (Note 2)	11,034.78 m ²	
Changes in Occupancy Rate in Last 5 years (Note 1)	June 30, 2022	100.0%
	December 31, 2021	100.0%
	June 30, 2021	100.0%
	December 31, 2020	100.0%
	June 30, 2020	100.0%
	December 31, 2019	100.0%
	June 30, 2019	100.0%
	December 31, 2018	100.0%
	June 30, 2018	100.0%
	December 31, 2017	100.0%

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

(Note 2) The total leased floor space and total leasable floor space are those as of the end of the 41st fiscal period (June 30, 2022).

(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
December 31, 2017	62	745	478,169.25 m ²	98.5%
June 30, 2018	62	747	478,117.02 m ²	98.8%
December 31, 2018	62	747	478,088.25 m ²	99.2%
June 30, 2019	63	757	480,277.86 m ²	98.6%
December 31, 2019	63	760	480,284.17 m ²	99.6%
June 30, 2020	65	851	499,269.77 m ²	99.7%
December 31, 2020	66	857	501,162.78 m ²	99.3%
June 30, 2021	65	804	496,876.92 m ²	98.1%
December 31, 2021	66	1,134	500,628.05 m ²	97.3%
January 31, 2022	67	1,153	508,453.45 m ²	97.8%
February 28, 2022	67	1,160	508,453.05 m ²	98.0%
March 31, 2022	67	1,160	508,453.53 m ²	97.8%
April 30, 2022	67	1,169	508,453.78 m ²	97.9%
May 31, 2022	67	1,172	508,464.38 m ²	97.5%
June 30, 2022	67	1,171	502,889.81 m ²	97.5%

(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 41st fiscal period, as well as the total rental income for the 41st fiscal period.

Total Number of Tenants	1,171
Total Leased Floor Space	490,209.73 m ²
Total Leasable Floor Space	502,889.81 m ²
Total Rental Revenues	17,019,663 thousand yen

2) Overview of Lease Status for Respective Properties

Area	Type	Property Name	41st Fiscal Period (January 1, 2022 – June 30, 2022)					Rental Revenues	
			Information on Period End Floor Space, Etc.				Occupancy Rate (%)	(thousands of yen)	Ratio (%)
			Total Leasable Floor Space (m ²)	Total Leased Floor Space (m ²)	No. of Tenants (Note 1)				
Central Tokyo	Office	Kanematsu Bldg.	8,090.40	8,090.40	12	100.0	405,297	2.4	
		Kanematsu Bldg. Annex	2,291.13	2,291.13	1	100.0	(Note 2)	(Note 2)	
		JPR Ningyo-cho Bldg.	2,802.22	2,802.22	5	100.0	94,151	0.6	
		Shin-Kojimachi Bldg.	3,319.37	3,319.37	17	100.0	130,267	0.8	
		JPR Crest Takebashi Bldg.	3,265.34	2,912.20	7	89.2	120,445	0.7	
		MS Shibaura Bldg.	14,468.38	14,468.38	10	100.0	484,887	2.8	
		Gotanda First Bldg.	4,241.22	4,241.22	2	100.0	142,716	0.8	
		JPR Ichigaya Bldg.	4,240.37	3,852.87	9	90.9	142,831	0.8	
		Oval Court Ohsaki Mark West	4,088.44	4,088.44	1	100.0	(Note 2)	(Note 2)	
		Shinjuku Square Tower	19,266.47	18,218.55	24	94.6	408,240	2.4	
		BYGS Shinjuku Bldg.	15,227.81	14,989.60	23	98.4	577,418	3.4	
		Across Shinkawa Bldg. Annex	1,264.51	1,264.51	4	100.0	34,114	0.2	
		Shinjuku Center Bldg.	8,865.77	8,599.86	28	97.0	519,334	3.1	
		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	71,680	0.4	
		Rokubancho Bldg.	2,501.16	2,501.16	1	100.0	(Note 2)	(Note 2)	
		JPR Harajuku Bldg.	4,759.80	4,759.80	10	100.0	294,557	1.7	
		JPR Nihonbashi-horidome Bldg.	5,299.88	5,299.88	5	100.0	192,776	1.1	
		JPR Sendagaya Bldg.	6,177.74	6,177.74	6	100.0	303,717	1.8	
		Ginza Sanwa Bldg.	1,896.70	1,896.70	9	100.0	116,084	0.7	
		Otemachi Tower (Land with Leasehold Interest)	11,034.78	11,034.78	2	100.0	1,802,000	10.6	
		Science Plaza-Yonbancho Plaza	3,325.29	3,268.46	24	98.3	117,223	0.7	
		Shibadaiimon Center Bldg.	5,401.48	5,401.48	9	100.0	189,171	1.1	
		Tokyo Square Garden	5,971.69	5,517.91	47	92.4	377,207	2.2	
		JPR Kojimachi Bldg.	3,493.67	2,907.28	6	83.2	110,649	0.7	
		Otemachi Financial City North Tower	4,191.96	4,189.98	10	100.0	265,822	1.6	
		Tokyo Tatemono Higashi Shibuya Bldg.	7,822.75	6,230.69	14	79.6	278,190	1.6	
		Retail, etc.	JPR Shibuya Tower Records Bldg.	8,076.85	8,076.85	1	100.0	(Note 2)	(Note 2)
	JPR Jingumae 432		1,027.33	1,027.33	7	100.0	87,736	0.5	
	Shinjuku Sanchoe East Bldg.		2,347.81	2,347.81	1	100.0	(Note 2)	(Note 2)	
Yurakucho Ekimae Bldg. (Yurakucho Itocia)	1,101.92		1,101.92	1	100.0	(Note 2)	(Note 2)		
JPR Ginza Namiki-dori Bldg.	1,667.92		1,667.92	9	100.0	195,419	1.1		
FUNDES Suidobashi	1,367.56		1,192.77	5	87.2	77,497	0.5		
Greater Tokyo	Office	Arca East	7,022.76	7,022.76	7	100.0	268,274	1.6	
		JPR Chiba Bldg.	5,543.44	5,280.89	40	95.3	133,126	0.8	
		JPR Yokohama Nihon Odori Bldg.	6,079.73	6,079.73	19	100.0	133,424	0.8	
		Shinyokohama 2nd Center Bldg.	5,285.84	4,986.21	23	94.3	109,663	0.6	

Area	Type	Property Name	41st Fiscal Period (January 1, 2022 – June 30, 2022)					
			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 (%)
Greater Tokyo	Office	Kawaguchi Center Bldg.	15,519.71	15,519.71	40	100.0	477,209	2.8
		JPR Ueno East Bldg.	6,454.89	6,454.89	10	100.0	181,594	1.1
		Tachikawa Business Center Bldg.	4,588.41	4,165.09	20	90.8	146,116	0.9
		Rise Arena Bldg.	10,531.13	10,531.13	8	100.0	337,054	2.0
		Yume-ooka Office Tower	11,999.58	11,999.58	44	100.0	355,522	2.1
		Olinas Tower	23,987.40	22,196.73	19	92.5	921,898	5.4
		JPR Yokohama Bldg.	6,494.71	6,494.71	21	100.0	290,928	1.7
		JPR Omiya Bldg.	6,871.45	4,468.42	5	65.0	239,717	1.4
		Sencity Bldg.	13,271.26	12,601.57	70	95.0	486,494	2.9
	Retail, etc.	Tanashi ASTA	31,121.71	31,121.71	1	100.0	(Note 2)	(Note 2)
		Cupo-la Main Bldg.	5,963.00	5,963.00	1	100.0	(Note 2)	(Note 2)
		JPR Musashikosugi Bldg.	19,740.95	19,740.95	1	100.0	(Note 2)	(Note 2)
		Musashiurawa Shopping Square	14,960.70	14,960.70	3	100.0	127,041	0.7
		Kawasaki Dice Bldg.	12,113.10	11,920.13	29	98.4	457,179	2.7
		FUNDES Ueno	1,989.66	1,989.66	10	100.0	117,145	0.7
	Other Cities	Office	Niigata Ekinan Center Bldg.	5,327.50	5,327.50	11	100.0	126,506
JPR Naha Bldg.			3,945.01	3,945.01	20	100.0	113,870	0.7
Sompo Japan Sendai Bldg.			7,132.69	7,124.72	15	99.9	199,418	1.2
Sompo Japan Wakayama Bldg.			4,873.84	4,866.34	18	99.8	96,059	0.6
Tenjin 121 Bldg.			3,258.24	2,859.42	14	87.8	102,930	0.6
JPR Dojima Bldg.			3,917.91	3,917.91	12	100.0	138,120	0.8
JPR Nagoya Fushimi Bldg.			7,086.23	6,666.68	5	94.1	146,400	0.9
Yakuin Business Garden			16,654.33	16,644.71	16	99.9	566,130	3.3
JPR Shinsaibashi Bldg.			4,021.63	4,021.63	8	100.0	128,226	0.8
JPR Shinsaibashi West			5,695.71	5,689.41	14	99.9	148,858	0.9
GRAND FRONT OSAKA (Umekita Plaza and South Building)			5,290.60	4,782.09	243	90.4	(Note 2)	(Note 2)
GRAND FRONT OSAKA (North Building)		8,474.10	8,352.66	100	98.6	(Note 2)	(Note 2)	
Retail, etc.		JPR Umeda Loft Bldg.	5,576.09	5,576.09	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	177,714	1.0	
Total			502,889.81	490,209.73	1,171	97.5	17,019,663	100.0

(Note 1) The number of tenants at end of period is counted as follows except for Shinjuku Square Tower, Shinjuku Center Bldg., Residential part of Science Plaza-Yonbancho Plaza, Tokyo Square Garden, Otemachi Financial City North Tower, Rise Arena Bldg., Sencity Bldg. and Kawasaki Dice Bldg.: when a single tenant leases multiple rooms, it is counted as one if the tenant uses the same property. If the leased rooms are in multiple buildings, the tenant is counted in plural.

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

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

3) Ten Largest Tenants

The following table shows the ten largest tenants in terms of leased floor space as of June 30, 2022.

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.	48,645.35	9.8%
		GRAND FRONT OSAKA (North Building)		
2	ABC Development Corporation	Housing Design Center Kobe	35,444.13	7.2%
3	Seiyu Co., Ltd.	Tanashi ASTA	31,121.71	6.3%
4	Taisei-Yuraku Real Estate Co., Ltd.	Rise Arena Bldg. Sencity Bldg.	24,075.05	4.9%
5	Ito-Yokado Co., Ltd.	JPR Musashikosugi Bldg.	19,740.95	4.0%
6	Olympic Group Corporation	Musashiurawa Shopping Square	9,558.51	1.9%
7	Mitsubishi Estate Co., Ltd.	Otemachi Financial City North Tower	4,191.96	0.8%
		GRAND FRONT OSAKA (Umekita Plaza and South Building) GRAND FRONT OSAKA (North Building)		
8	Tower Records Japan Inc.	JPR Shibuya Tower Records Bldg.	8,076.85	1.6%
9	Y.K. Tokyo Prime Stage	Otemachi Tower (Land with Leasehold Interest)	7,875.50	1.6%
10	Hitachi Real Estate Partners, Ltd.	BYGS Shinjuku Bldg. JPR Ueno East Bldg. Yume-ooka Office Tower JPR Nagoya Fushimi Bldg.	7,066.60	1.4%

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

(Note 2) The figures have been rounded to the first decimal place. The total leased floor space at end of period in the above table is based on the space corresponding to the ownership interest held by JPR (494,987.16 m²).

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