

JAPAN REAL ESTATE INVESTMENT CORPORATION



- 01 Summary
- 02 Financial Results
- 03 Performance Forecasts
- 04 Internal Growth
- 05 External Growth
- 06 Financial Condition
- 07 Appraisal Values



Performance Review

for Fiscal Period Ended March 31, 2017

May 16, 2017

Looking back six months ago



Six months ago,

- The new president carefully hit his tee shot to the center of the fairway
- A trend of leasing market was showing a tailwind
- A cloud of large office supply appeared faraway causing JRE to pay close attention to the future trend

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Summary (Financial Results for Mar. '17 Period)

Dividend Per Unit

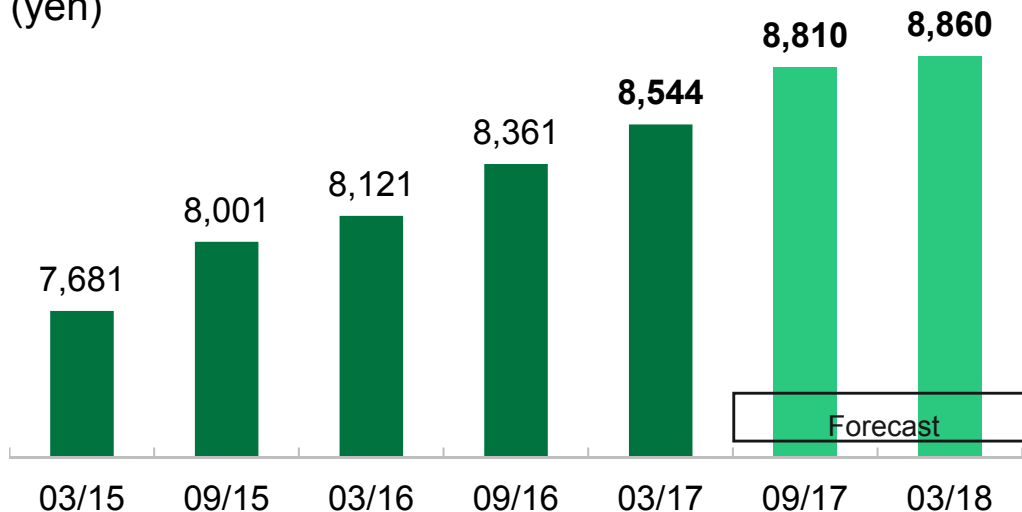
8,544 yen

(vs. Sep. '16 Period: **+183 yen +2.2%**)

(vs. forecast announced in November 2016:
+84 yen +1.0%)

< Trend of dividend per unit >

(yen)



Internal Growth

- Occupancy rate **98.8%**
at the end of Mar. '17 Period
(vs. Sep. '16 Period: +0.1pt)
- Net increase in rent **+¥19 million**
due to rent revision
(vs. Sep. '16 Period: +¥1 million)
- Net increase in rent **+¥19 million**
due to tenant turnover
(vs. Sep. '16 Period: -¥5 million)

External Growth

- New Acquisition Kanazawa Kamitsutsumicho Building / Tamachi Front Building
 - Additional Acquisition Shiodome Building
 - Additional Acquisition Shinjuku Eastside Square
from exchange * Transferred Genki Medical Plaza (Iidabashi)
- Acquired 4 properties**
Total of ¥26,100 million

Financial Strategy

- Interest-bearing debt **¥369,000 million**
at the end of Mar. '17 Period
(vs. Sep. '16 Period: +¥12,650 million)
- Average interest rate **0.71%**
(vs. Sep. '16 Period: ↓0.04pt)

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Financial Results for Mar. '17 Period

vs. Sep. '16 Period Actual

(In millions of yen)

	Actual Sep. '16 Period	Changes	Actual Mar. '17 Period
Operating revenues	30,773	+ 44	30,818
Operating profit	12,368	+ 198	12,567
Ordinary profit	10,958	+ 238	11,197
Profit	10,947	+ 239	11,186
Dividend per unit	8,361 yen	+ 183 yen	8,544 yen

Main factors affecting increase and decrease

■ Operating revenues

Rent from existing properties, etc. +216M
 Rent from acquired and transferred properties, etc. +102M
 Utilities and other revenues -307M
 Gain on sales of real estate properties +33M

■ Operating profit

Existing properties +144M
 4 acquired properties, 1 transferred property +19M
 Gain on sales of real estate properties +33M

■ Ordinary profit

Decrease of interest payment +65M

Financial Results for Mar. '17 Period

vs. Forecasts

(In millions of yen)

	Forecast announced in November 2016	Changes	Actual Mar. '17 Period
Operating revenues	30,720	+ 98	30,818
Operating profit	12,490	+ 77	12,567
Ordinary profit	11,080	+ 117	11,197
Profit	11,070	+ 116	11,186
Dividend per unit	8,460 yen	+ 84 yen	8,544 yen

Main factors affecting increase and decrease

■ Operating revenues

Increase of property-related revenues due to progress in leasing and upward rent revision, etc. that exceeded our assumption +64M

Gain on sales of real estate properties +33M

■ Ordinary profit

Decrease of interest payment +30M

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Performance Forecast for Sep. '17 Period

vs. Mar. '17 Period Actual

(In millions of yen)

	Actual Mar. '17 Period	Changes	Forecast Sep. '17 Period
Operating revenues	30,818	+771	31,590
Operating profit	12,567	+272	12,840
Ordinary profit	11,197	+352	11,550
Profit	11,186	+353	11,540
Dividend per unit	8,544 yen	+266 yen	8,810 yen

Main factors affecting increase and decrease

- **Increase in rent from the existing properties and increase in utilities revenues, etc.**
Operating revenues +452M
- **Acquired properties during Mar. '17 Period operating full term**
Operating revenues +352M
- **Increase of operating expenses due to increase in utilities expenses, etc.**
Operating profit -488M
- **Decrease due to reactionary fall of gain on sales of real estate properties**
Operating revenues and operating profit -33M
- **Decrease of interest payment**
Ordinary profit +79M

Performance Forecast for Mar. '18 Period

vs. Sep. '17 Period Forecast

(In millions of yen)

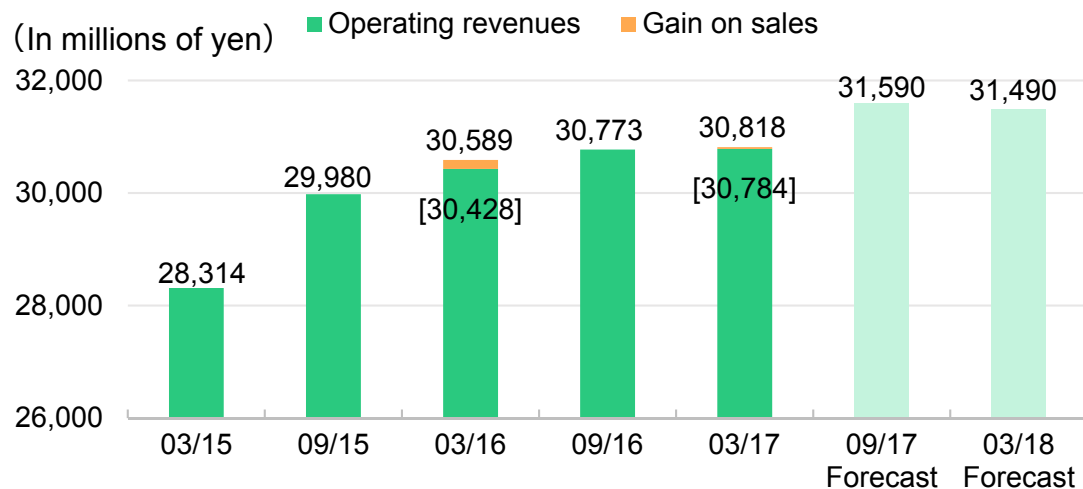
	Forecast Sep. '17 Period	Changes	Forecast Mar. '18 Period
Operating revenues	31,590	-100	31,490
Operating profit	12,840	+ 40	12,880
Ordinary profit	11,550	+ 60	11,610
Profit	11,540	+ 60	11,600
Dividend per unit	8,810 yen	+ 50 yen	8,860 yen

Main factors affecting increase and decrease

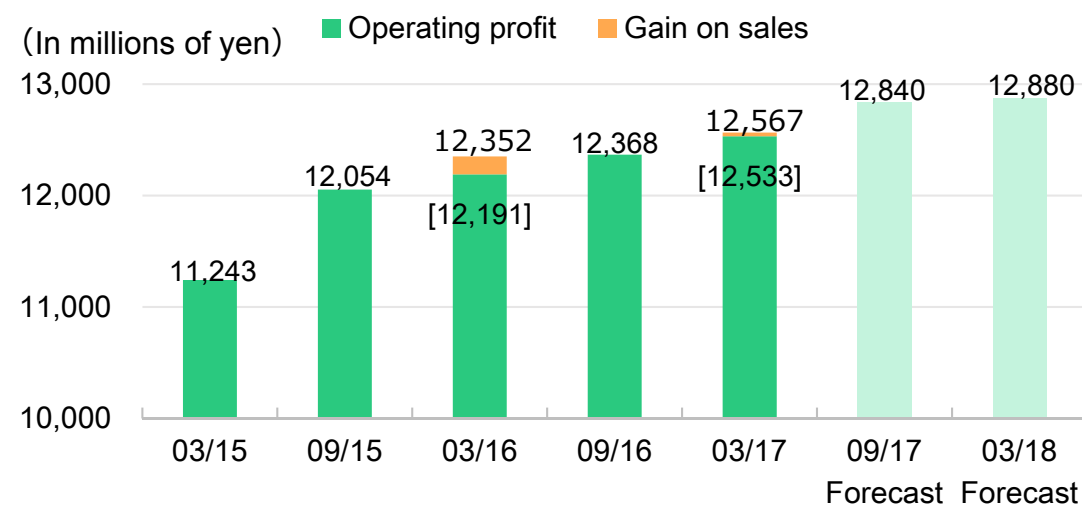
- **Marginal rise in rent, etc. due to conservative estimation of occupancy rate**
- **Decrease of revenue due to factors other than rent such as decrease in utilities revenues, etc.**
Operating revenues -100M
- **Decrease of operating expenses due to decrease in utilities expenses, etc.**
Operating profit + 140M
- **Decrease of interest payment**
Ordinary profit + 30M

Summary of Performance Indices

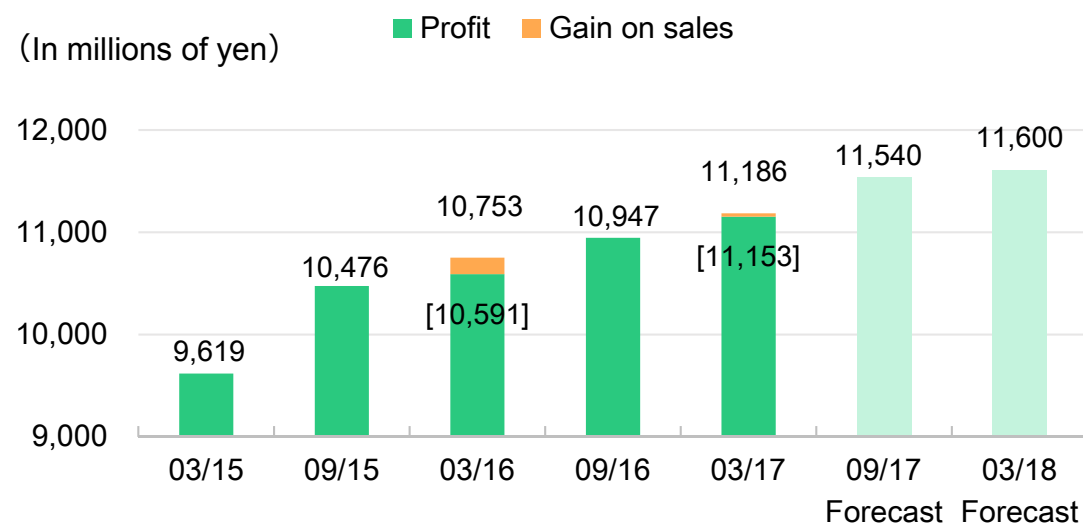
〈 Trend of operating revenues 〉



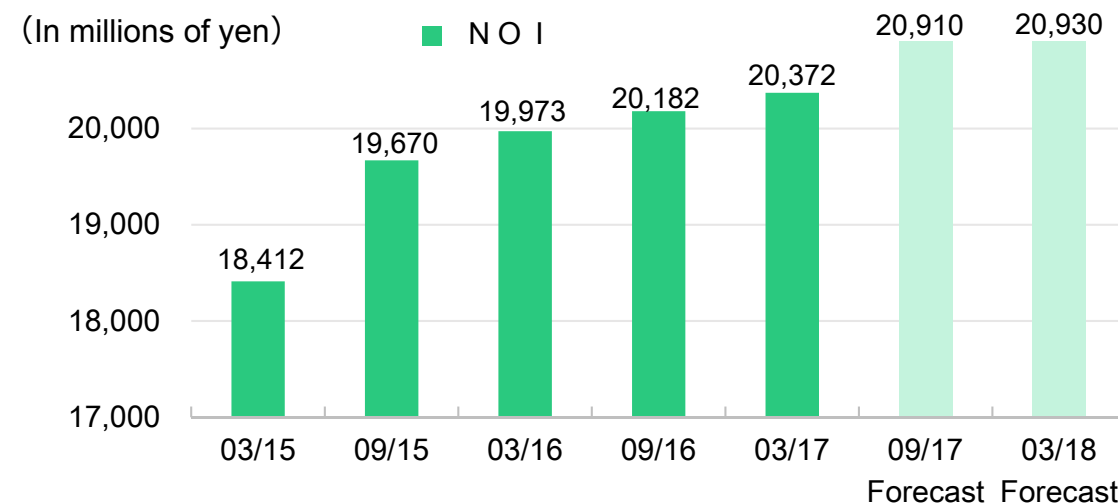
〈 Trend of operating profit 〉



〈 Trend of profit 〉



〈 Trend of NOI 〉

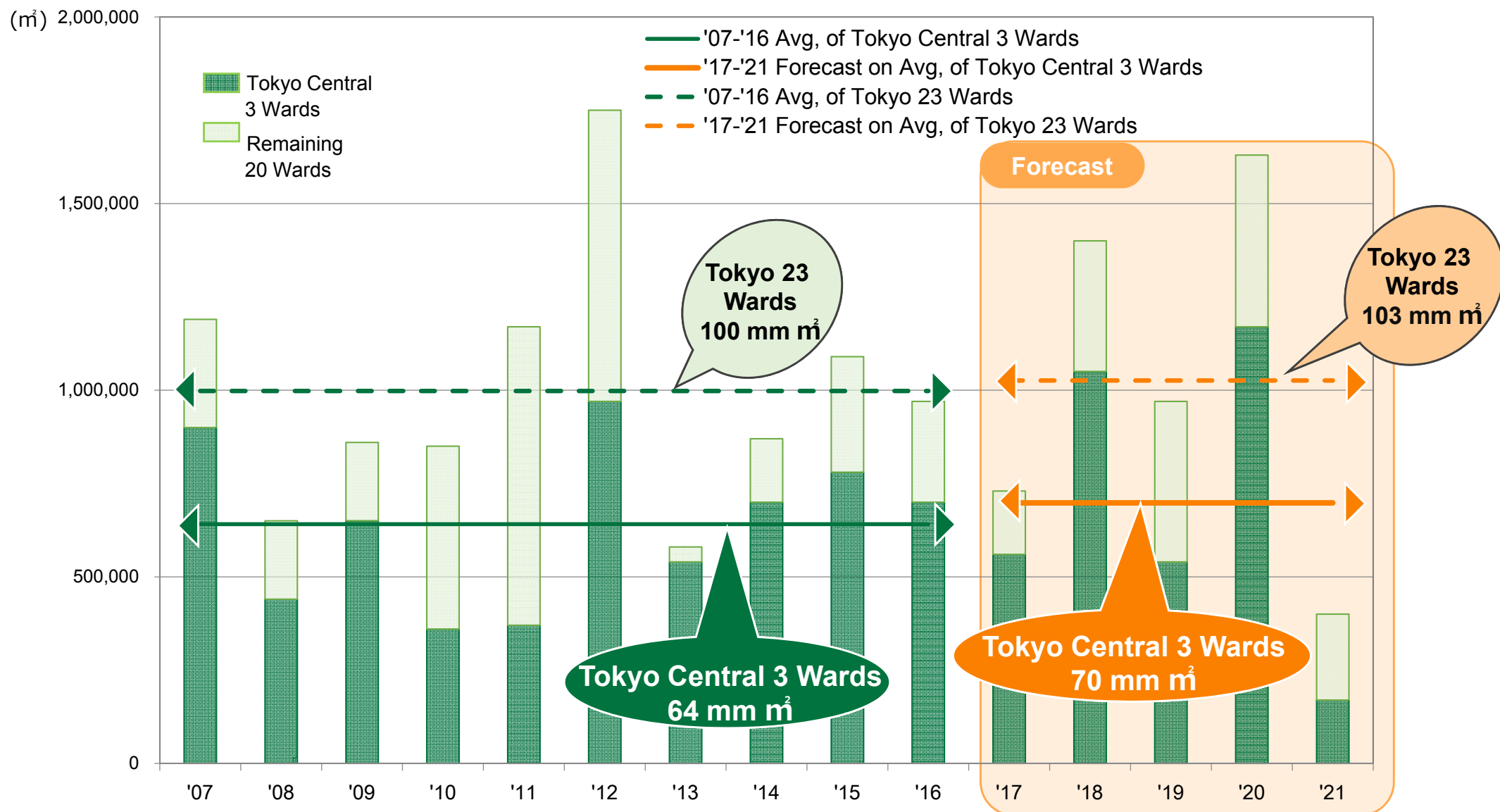


※Amounts in [] do not include gain on sales

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Internal Growth

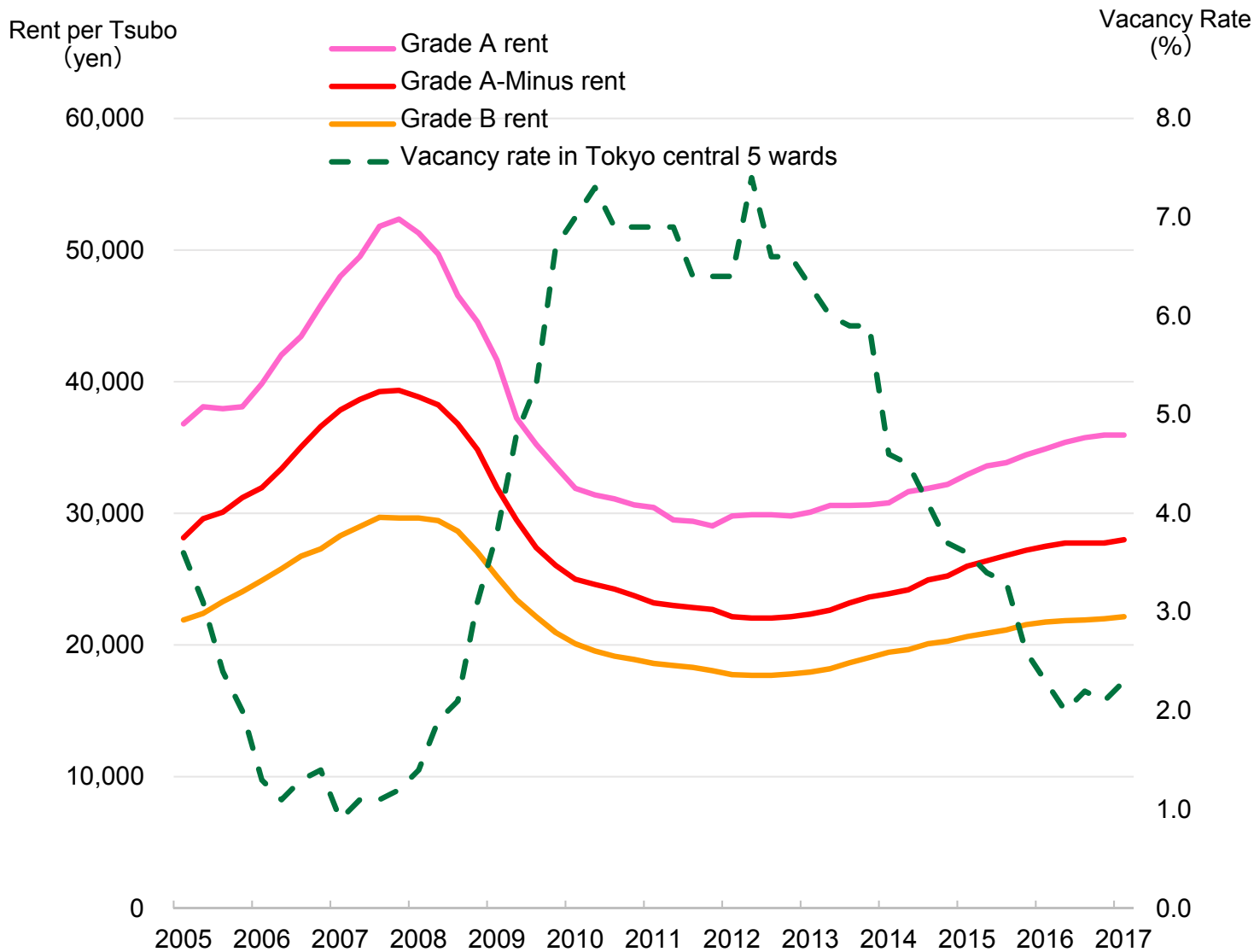
Trend of supply for office building



※Source: Mori Building Co., Ltd.
 ※Aggregate calculation of floor area

Internal Growth

Leasing Market Conditions



※Data of Tokyo central 5 wards from Mar. 2005- Mar. 2017
 ※(Left axis) Estimated contract rent (Right axis) Vacancy Rate
 ※Source: CBRE

2017 1Q

Estimated contract rent:

Grade A rent: 35,950 yen / tsubo

Grade A-Minus rent:
28,000 yen / tsubo

Grade B rent: 22,150 yen / tsubo

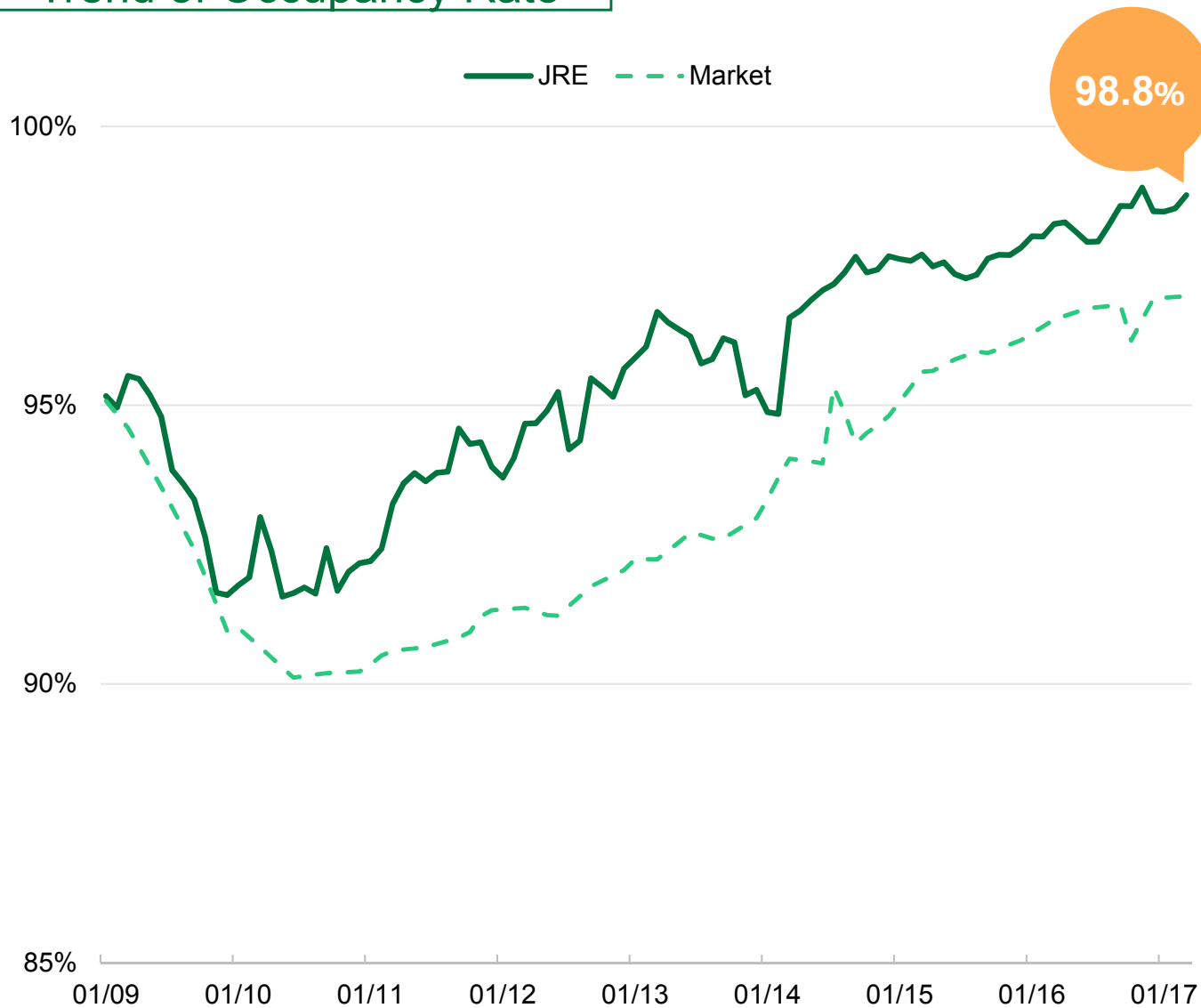
Vacancy rate in Tokyo central 5 wards:
2.3%

■ Market for leased office space in Tokyo is strong due to low level in supply and steady demand

■ At present, influence from the expected increase in supply after 2018 is not seen

Internal Growth

Trend of Occupancy Rate



- JRE's occupancy rate shows **stable trend at a high level** which exceeds market occupancy rate
- Occupancy rate as of the end of Mar. '17 period is **the best as end of the period since its IPO in 2001**
- Estimated occupancy rate of the portfolio for the end of Sep. '17 Period is **98.8%**

※Source: CBRE

Internal Growth

Assessed Rent of the Portfolio

Properties with assessed rent increased from the preceding six months

21 / 60 properties

Tokyo Central 3 Wards

8 / 18 properties Increase rate of **1.0%**

Other Tokyo 20 Wards

5 / 15 properties Increase rate of **1.2%**

Other Areas

8 / 27 properties Increase rate of **1.9%**

■ Assessed rent of the portfolio is continuing its moderate increase. And zero properties with assessed rent declined.

■ Actual for the Previous period

25/60 properties

Tokyo central 3 wards: 11/18 properties

Increase rate of 1.7%

Other Tokyo 20 wards: 6/15 properties

Increase rate of 1.1%

Other areas: 8/27 properties

Increase rate of 1.3%

※ Of the 68 properties owned by JRE as of the end of March 2017, 60 properties which are comparable with the assessed rent for the preceding six months (excluding properties with special factors such as lease for whole tower) are subject to the comparison.

Internal Growth

Net Increase of Monthly Contract Rent

Monthly contract rent as of the end of Mar. '17 Period

4,678 million yen

(Increase from Sep. '16 Period: **+¥104 million +2.3%**)

External Growth

+¥73 million

Internal Growth

+¥39 million

Tenant Turnover: **+19**
(Leased +87 Returned -67)

Rent Revision: **+19**
(Increase +19 Decrease -0.2)

Other Decrease

-¥8 million

※Decrease of contract rent due to termination of Phase 2 rent which was established in order to collect owner expenditure portion of tenant joinery work costs.

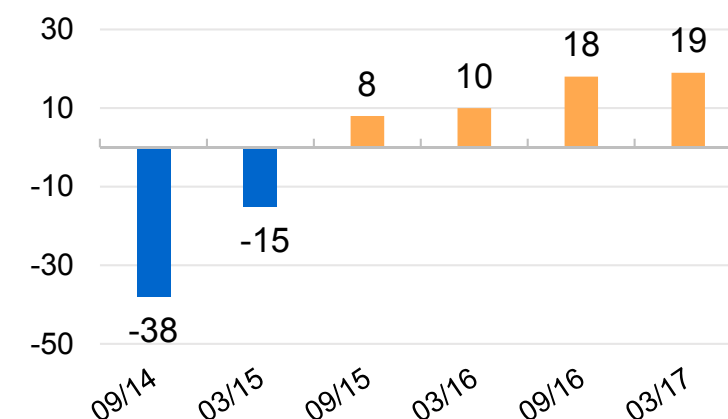
Monthly contract rent as of the end of Sep. '16 Period

¥4,574 million

■ Rent revision has moved upward for **four consecutive periods**

〈Trend of rent revision (net change)〉

(In millions of yen)



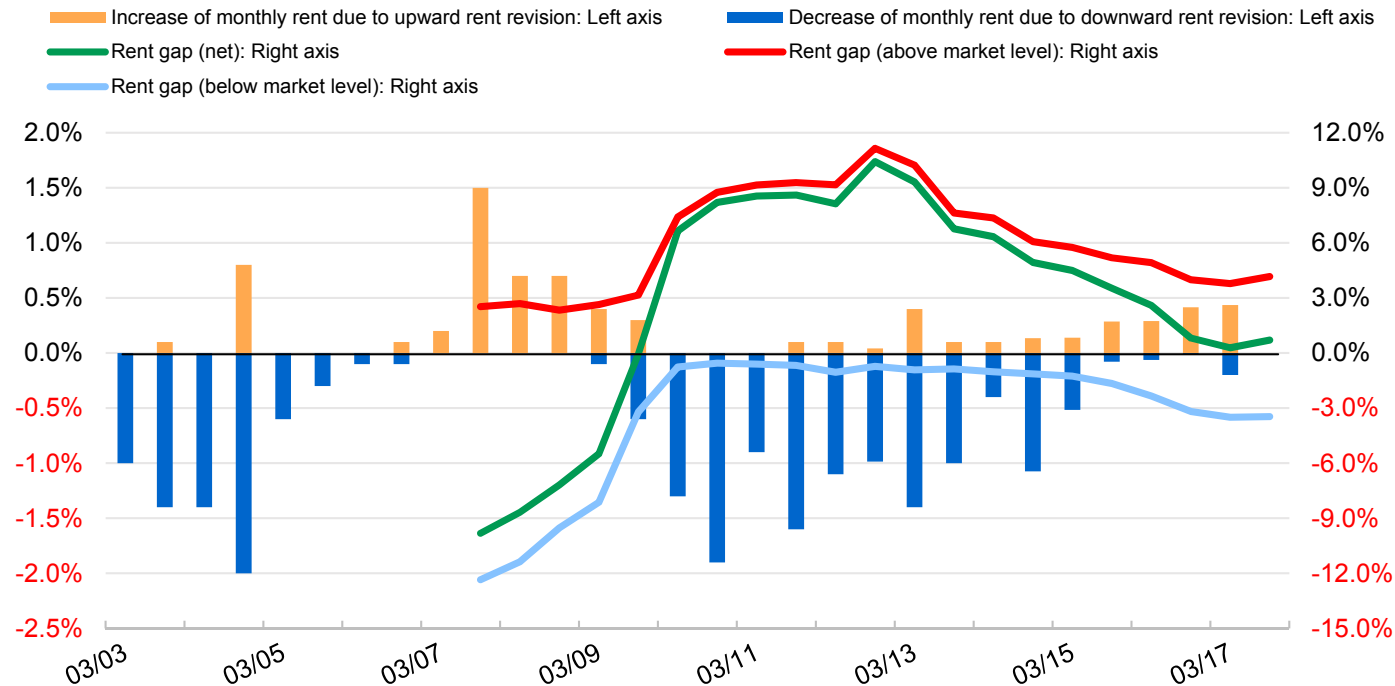
Internal Growth

Rent Gap

Rent gap of overall portfolio

+¥32 million
(Gap Ratio: **+0.7%**)

Trend of Rent Gap



※Aggregated calculation excluding fixed revenues of more than 1 year as from the beginning of each period due to regular lease agreement, etc.

- Upward rent revision is smoothly in progress due to rent gap remaining at a low level.
- Downward rent revision (9 million yen) for Mar. '17 period is largely due to special factors (please see P.16)

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External Growth

Acquisition of Kanazawa Kamitsutsumicho Building

■ Details of the property

Location: **1-15 Kamitsutsumicho, Kanazawa City, Ishikawa Prefecture**

Building: **Above ground 11 floors**

Total floor area/Total leasable floor area: **9,619m² / 7,206m²**

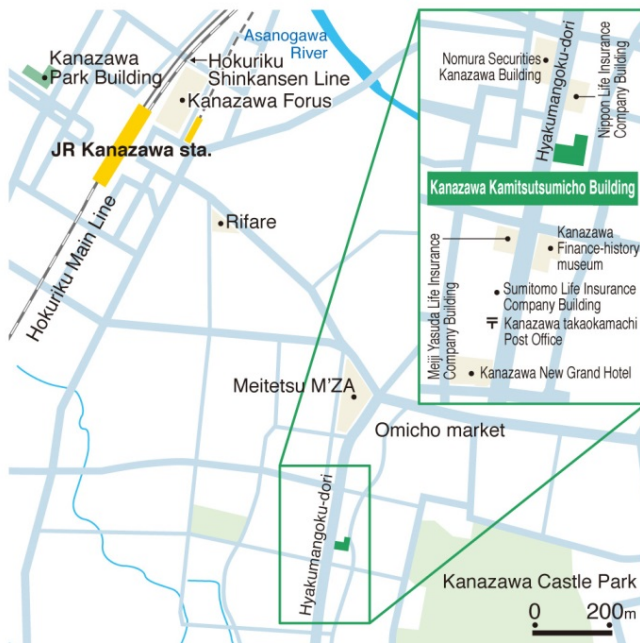
Completion date: **August 2009**

■ Acquisition price **¥2,780 million**

■ Date of acquisition **October 3, 2016**

■ Estimated NOI **¥178 million per year (NOI yield 6.4%)**

■ Seller **Shimizu Corporation**



External Growth

Acquisition of Tamachi Front Building

■ Details of the property

Location: **13-2, 4 Chome, Shiba, Minato-ku, Tokyo**

Building: **Above ground: 9 floors Below ground: 1 floor**

Total floor area/Total leasable floor area: **5,747m² / 3,792m²**

Completion date: **July 2014**

■ Acquisition price **¥6,210 million**

■ Date of acquisition **March 30, 2017**

■ Estimated NOI **¥242 million per year (NOI yield 3.9%)**

■ Seller **Shiba Yon Development Specific Purpose Company (TMK)**
(Invested by Mitsubishi Estate Co., Ltd.)



External Growth

Additional acquisition of Shiodome Building

■ Details of the property

Location: **2-20, 1 Chome, Kaigan, Minato-ku, Tokyo**

Building: **Above ground: 24 floors Below ground: 2 floors**

Total floor area **115,930m²** (Entire building)

Total leasable floor area **4,019m²** (Additional acquisition)

Completion date: **December 2007**

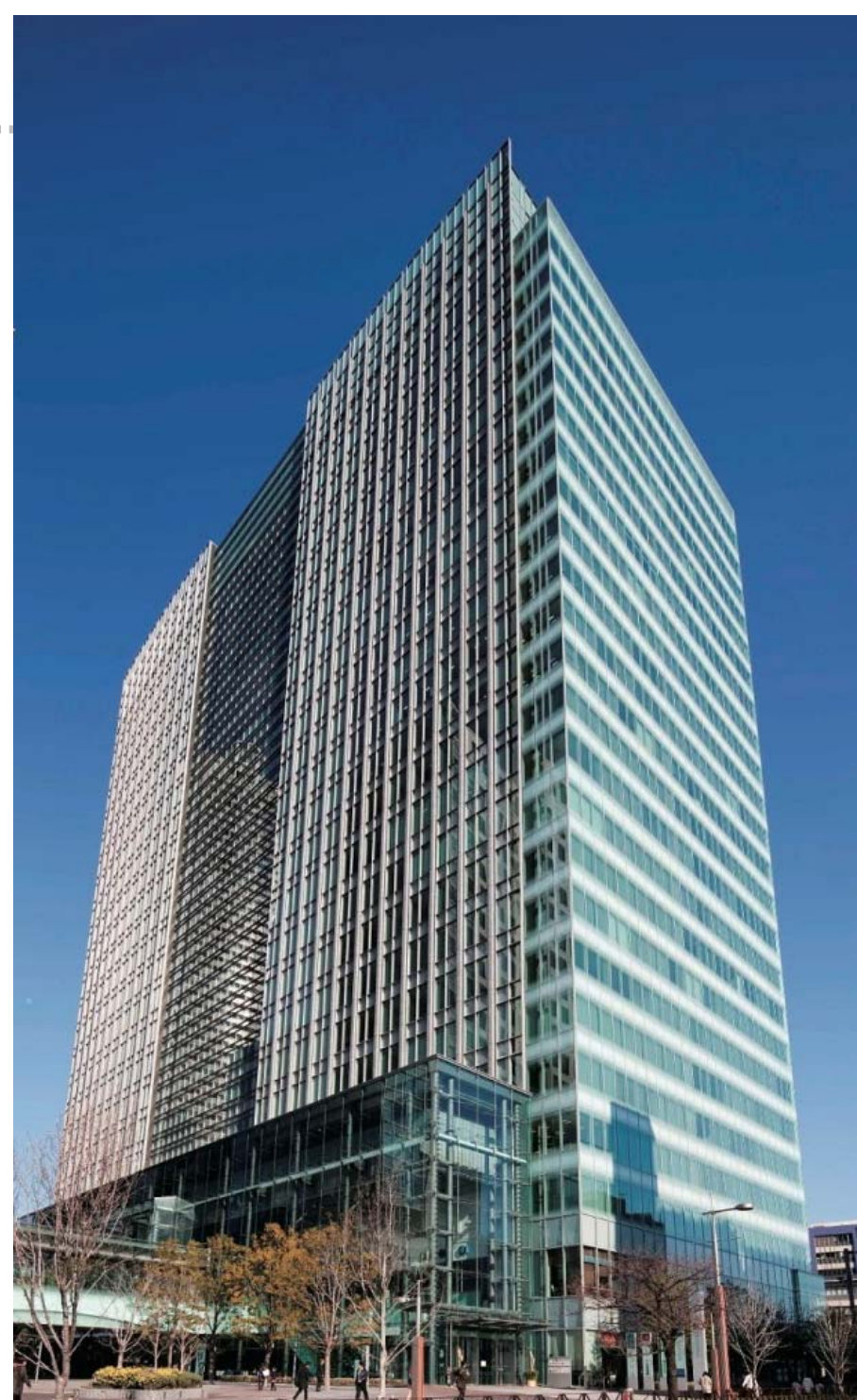
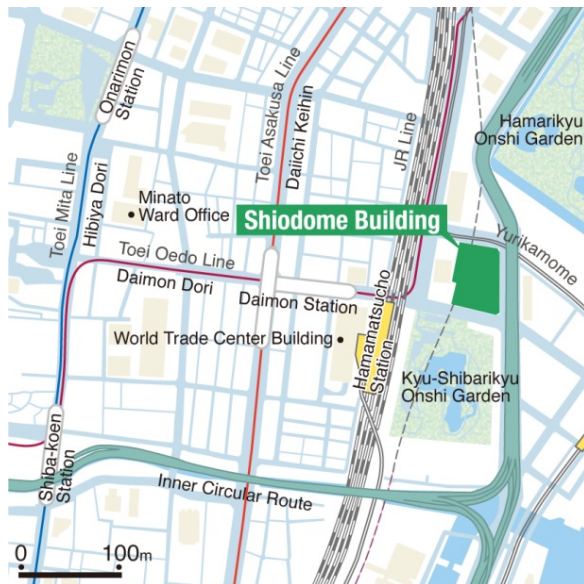
■ Acquisition price **¥10,450 million**

(Acquired additional 5% of the entire building / JRE's share: 45%→50%)

■ Date of acquisition **March 30, 2017**

■ Estimated NOI **¥378 million per year** (NOI yield **3.6%**)

■ Seller **Mitsui & Co. Real Estate Ltd.**



External Growth

Exchange of Properties with the Sponsor

<Shinjuku Eastside Square>

Acquired
property

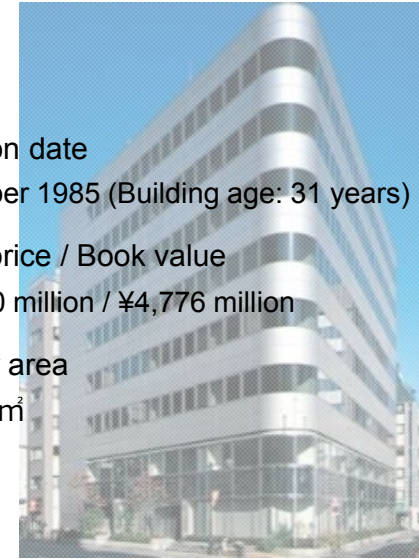


- Completion date
March 2012 (Building age: 5 years)
- Acquisition price
¥6,660 million
(Acquired additional 3.6% of
the entire building
JRE's share: 14%→17.6%)
- Total floor area (Entire building)
167,245m²



Exchange

- Completion date
September 1985 (Building age: 31 years)
- Transfer price / Book value
¥6,890 million / ¥4,776 million
- Total floor area
6,722 m²



<Genki Medical Plaza> (Iidabashi)

Transferred
property

- Advanced depreciation accounting of the land of the Property to be exchanged is made and capital gain is deferred
- ¥33 million of capital gain is recorded net of land and building



External Growth

Additional acquisition of Shinjuku Eastside Square (from Exchange)

■ Details of the property

Location: **27-30, 6 Chome, Shinjuku, Shinjuku-ku, Tokyo**

Building: **Above ground: 20 floors, Below ground: 2 floors**

Total floor area **167,245m²** (entire building)

Total leasable floor area **4,208m²** (additional acquisition)

Completion date: **March 2012**

■ Acquisition price **¥6,660 million**

(Acquired additional 3.6% of the entire building / JRE's share: 14%→17.6%)

■ Date of acquisition **January 25, 2017**

■ Estimated NOI **¥288 million per year (NOI yield 4.3%)**

■ Seller **Mitsubishi Estate Co., Ltd.**



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Financial Condition

Summary of Debts

(In millions of yen)

	End of Sep. '16 Period	Changes	End of Mar. '17 Period
Balance of interest-bearing debt	356,350	+12,650	369,000
LTV (Book value basis)	40.3%	+0.8pt	41.1%
LTV (Market value basis)	34.3%	+0.2pt	34.5%

※ Market value based LTV is calculated by adding unrealized gain to the EOP total assets

- Total interest-bearing debts increased due to acquisition of properties during Mar. '17 period
- Continue to maintain flexible framework when procuring funds against a background of good portfolios even after implementing fund procurement due to property acquisition

Financial Condition

Average Interest Rate and Maturity

	(In millions of yen)		
	Balance	Average interest rate	Average maturity
Short-term loans	36,000	0.07%	0.59 years
Current portion of long-term loans	46,500	0.96%	0.46 years
Long-term loans/ Investment corporation bonds	286,500	0.75%	4.85 years
Total interest-bearing debt	369,000	0.71%	3.88 years

Recent borrowings

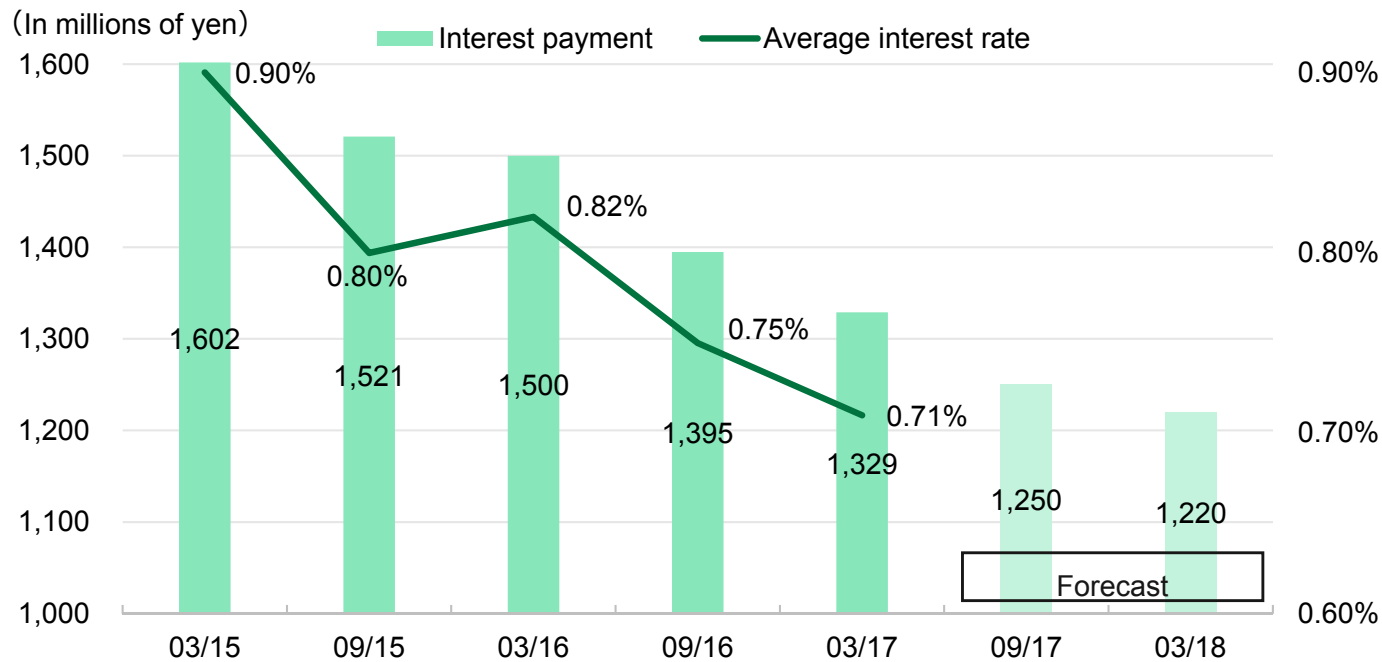
Lender	Shinkin Central Bank
Amount of loan	¥5,000 million
Interest rate	0.36% (fix)
Borrowing period	9 years
Start of loan period	March 30, 2017
Lender	Mitsubishi UFJ Trust and Banking Corporation
Amount of loan	¥5,000 million
Interest rate	0.09593% (3M.EUR/Yen Libor + 7bp as of the end of Apr. 2017)
Borrowing period	4 years
Start of loan period	April 4, 2017
Lender	Mizuho Bank, Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Amount of loan	¥9,000 million (Total)
Interest rate	0.07% (1M.Yen Tibor + 4bp as of the end of Apr. 2017)
Borrowing period	1 year
Start of loan period	April 3, 2017

Issuance of Private placement bonds with DBJ Green Building Certification (first attempt by J-REIT)

Amount of Issuance	¥10 billion
Interest rate	0.3975%
Term	10 years
Date of Issuance	March 30, 2017

Financial Condition

Trend of Interest Payment



■ Gradual decline of interest payment is expected after Mar. '17 Period

JRE's Credit Ratings

	Rating	Outlook
S & P	A+	Stable
Moody's	A1	Stable
R & I	AA	Stable

■ Maintain highest rating in J-REIT under conservative financial operations

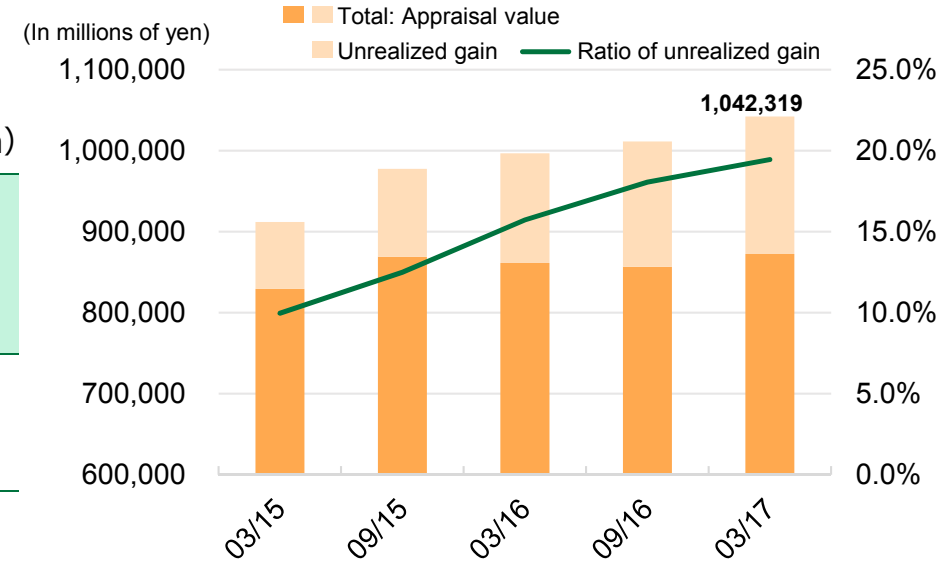
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Appraisal Values

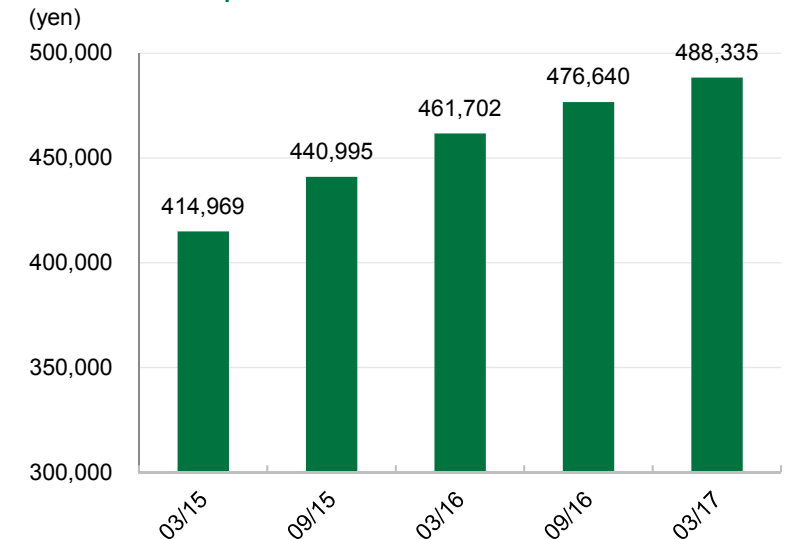
Summary of Appraisal Values

	End of Sep. '16 Period	Changes	End of Mar. '17 Period
Appraisal value	1,011,368	+ 30,951	1,042,319
Unrealized gain	154,710	+ 15,073	169,784
Ratio of unrealized gain	18.1%	+1.4pt	19.5%
NAV per unit	476,640 yen	+11,695 yen	488,335 yen

〈Trend of appraisal value/unrealized gain〉



〈Trend of NAV per unit〉



Trend of leasing market continues a tailwind.
In the sea of investment market, waves of high priced properties
come and go. I will drive safely and draw a ball from the right to
the left to avoid the dangerous sea.



Excellent shot!! It's flying well along with the effect of external
growth. A cloud of large office supply is slowly approaching,
but it shouldn't bring a heavy storm. Let's keep smart and
concentrate on our course management.

Disclaimer concerning Forecasts

This presentation contains information regarding forecasts based on the plans and outlook of Japan Real Estate Investment Corporation (JRE). All data contained herein, other than those that describe current or historical data, are based on such forecasts. These forecasts are based on the assumptions, judgment, and data currently available from Japan Real Estate Asset Management (J-Rea) and JRE. These data may contain known and unknown risks, uncertainty, and other factors not accounted for. The forecasts herein may be affected by known and unknown risks, uncertainty, or other factors, particularly with respect to JRE's internal and external growth and profitability-per-unit targets. The aforementioned risks, uncertainty, and other factors may result in significantly different results regarding JRE's future performance, management, and financial data implicitly or explicitly presented herein. JRE shall assume no obligation to update or further disclose data regarding these forecasts after the date of this presentation.

May 16, 2017



Japan Real Estate Asset Management Co., Ltd.

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Terms used in this report

- (1) All numerical data are expressed by rounding the numbers down to their respective units. Percentages, including those for occupancy rates, and interest-bearing debt/total assets ratio are rounded to the first decimal point.
- (2) The figures for “Leasable office space,” “Leased office space,” “Occupancy rate” and “Number of tenants” only refer to the portion of shares owned by Japan Real Estate Investment Corporation (JRE).
- (3) “Average occupancy rate” is calculated by dividing total leased office space by total leasable office space at the end of every month during the period.
- (4) “Leasable office space” and “Leased office space” do not include the area used for or leased as rental meeting rooms and maintenance/stock rooms and Shinjuku South Gate Project (tentative name) (Land with leasehold interest).
- (5) The data pertaining to the residential portions are not included in “Leasable office space,” “Leased office space,” “Occupancy rate” and “Number of tenants” for “Kitanomaru Square,” “Nibancho Garden,” “Akasaka Park Building,” and “Nishiki Park Building”.
- (6) “Rent” means tenant rent for “Leasable office space.”
- (7) “The number of tenants” refers to those tenants with whom we have concluded lease agreements for leasable floor space of building (It does not include tenants who are leasing office space other than floor space of buildings, such as parking space or side signboards).
- (8) “The number of tenants” is the number of sub-lessees in cases where a pass-through lease agreement (a type of agreement in which the rent charged to the lessee is linked to the rent to be collected from the sub-lessees) is signed with a property management company, etc.
- (9) The number of tenants for the entire portfolio is the gross number of tenants by building (If the same tenant occupies multiple properties, such tenant is counted as multiple tenants).
- (10) “Book value” includes construction in progress and leasehold rights, etc.
- (11) “Capital expenditure” represents capital expenditure for construction completed during the period (excluding the expenses capitalized as construction in progress and as home furniture, the brokerage fees, etc. related to real estate acquisition, and incidental expenses of acquisition such as real-estate acquisition tax, which are reflected in the book value). Extension work cost is not included in “Capital expenditure”.
- (12) “Ratio of share of ownership” refers to: the share of co-ownership in the case of a building owned jointly with other owners; the share of common area as set forth in relevant documentation such as the rules on management of the building in the case of a compartmentalized building (including a building that shares compartmentalized building units with other owners); and the share of quasi co-ownership in the case of trust beneficiary rights owned jointly with other owners.
- (13) “Brokerage fees, etc.” = brokerage fees in connection with lease contracts + incentive fees paid to the property management company for rent increase upon contract renewal.
- (14) “Property-related revenues” = Rental revenues (rent income [including rent for residential portions], common service charges, income from parking spaces, collected electricity charges and land revenues, etc.) + Non-rental revenues (cancellation fees and other miscellaneous income)
- (15) “Gain on transfer of properties” = Gain on sale of properties + Gain on exchange of properties
- (16) The acquisition price for Ryoshin Ginza East Mirror Building (¥7,999,422,762) consists of the amount paid to acquire the building on March 15, 2005 (¥5,353,500,000), and the total amount spent to expand the property (¥2,645,922,762).
The acquisition price for Jingumae Media Square Building, part of which was sold on October 30, 2009, is the initial amount paid to acquire the property.
As Nippon Brunswick (building) (Currently: Shinjuku South Gate Project (tentative name)) was transferred as of August 23, 2013, the acquisition price of Nippon Brunswick (land with leasehold interest, ¥ 5,500 million) represents the acquisition price of Nippon Brunswick (¥ 6,670 million) net of the acquisition price of the building (¥ 1,170 million) on March 24, 2004.
- (17) “Sponsors” refers to the following two shareholders of Japan Real Estate Asset Management Co., Ltd. (J-Rea): Mitsubishi Estate Co., Ltd. and Mitsui & Co., Ltd.
- (18) The abbreviated property name is reflected on certain pages (The abbreviations are shown in the chart below).
- (19) As JRE implemented a 2-for-1 split of each investment unit as of January 1, 2014, figures calculated on the assumption of the split are indicated by “on a post-split basis”.
- (20) The name of the property was renamed to “Shinjuku South Gate Project (tentative name) (Land with leasehold interest)” from “Nippon Brunswick Building (Land with leasehold interest)” on May 15, 2017.

Property name	Abbreviation of property name	Property name	Abbreviation of property name
Kitanomaru Square	Kitanomaru Square	Ebisu Neonato	Ebisu Neonato
MD Kanda Building	MD Kanda	Harmony Tower	Harmony Tower
Kandabashi Park Building	Kandabashi Park	Otsuka Higashi-Ikebukuro Building	Otsuka Higashi-Ikebukuro
Otemachi Financial City North Tower	Otemachi FCN	Ikebukuro 2Chome Building	Ikebukuro 2Chome
Nibancho Garden	Nibancho Garden	Ikebukuro YS Building	Ikebukuro YS
Mitsubishi UFJ Trust and Banking Building	Mitsubishi UFJ Trust	Hachioji First Square	Hachioji First
Burex Kojimachi Building	Burex Kojimachi	Saitama Urawa Building	Saitama Urawa
Sanno Grand Building	Sanno Grand	MM Park Building	MM Park
Yurakucho Denki Building	Yurakucho Denki	Queen's Tower A	Queen's
Kodenmacho Shin-Nihonbashi Building	Kodenmacho	Kawasaki Isago Building	Kawasaki Isago
Kyodo Building (Kayabacho 2Chome)	Kyodo (Kayabacho 2Chome)	Musashi Kosugi STM Building	Musashi Kosugi STM
Burex Kyobashi Building	Burex Kyobashi	8・3 Square Kita Building	8・3 Square Kita
Ginza 1Chome East Building	Ginza 1Chome	Jozenji Park Building	Jozenji Park
Ginza Sanwa Building	Ginza Sanwa	Higashi Nibancho Square	Higashi Nibancho
Ryoshin Ginza East Mirror Building	Ryoshin Ginza EM	Sendai Honcho Honma Building	Sendai Honma
Harumi Front	Harumi Front	AER	AER
Harumi Center Building	Harumi Center	Kanazawa Park Building	Kanazawa Park
Akasaka Park Building	Akasaka Park	Kanazawa Kamitsutsumicho Building	Kanazawa Kamitsutsumicho
Aoyama Crystal Building	Aoyama Crystal	Nishiki Park Building	Nishiki Park
Clover Shiba-koen	Clover Shiba-koen	Nagoya Hirokoji Place	Hirokoji Place
Shiodome Building	Shiodome	Nagoya Hirokoji Building	Nagoya Hirokoji
Shiba 2Chome Daimon Building	Shiba 2Chome Daimon	Nagoya Misono Building	Nagoya Misono
Cosmo Kanasugibashi Building	Cosmo Kanasugibashi	Shijo Karasuma Center Building	Shijo Karasuma
Tamachi Front Building	Tamachi Front	Umeda Square Building	Umeda Square
Shinjuku Eastside Square	Shinjuku Eastside	Shin-Fujita Building	Shin-Fujita
Shinwa Building	Shinwa	Sakaisujihonmachi Building	Sakaisujihonmachi
Tokyo Opera City Building	Tokyo Opera City	Midouji Daiwa Building	Midouji Daiwa
TIXTOWER UENO	TIX UENO	Amagasaki Front Building	Amagasaki Front
Higashi-Gotanda 1Chome Building	Higashi-Gotanda 1Chome	Lit City Building	Lit City
Osaki Front Tower	Osaki Front Tower	NHK Hiroshima Broadcasting Center Building	NHK Hiroshima
Omori-Eki Higashiguchi Building	Omori-Eki Higashiguchi	Tosei Tenjin Building	Tosei Tenjin
Shinjuku South Gate Project (tentative name) (Land with leasehold interest)	Shinjuku South Gate Project (Land with leasehold interest)	Tenjin Crystal Building	Tenjin Crystal
Yoyogi 1Chome Building	Yoyogi 1Chome	Hinode Tenjin Building	Hinode Tenjin
da Vinci Harajuku	da Vinci Harajuku	Genki Medical Plaza	Genki Medical Plaza
Jingumae Media Square Building	Jingumae MS		
Shibuya Cross Tower	Shibuya Cross Tower		

1

Financial Results and Forecasts

Income Statement for Mar. '17 Period

(In millions of yen, (Dividend per unit in yen))

Term	Sep. '16 Period	→ change → (amount)	(%)	Mar. '17 Period	← change ← (amount)	(%)	Mar. '17 Period
Actual/Forecast	Actual			Actual			Initial forecast(*1)
Operating Revenues	30,773	44	0.1%	30,818	98	0.3%	30,720
Property-related revenues	30,773	11	0.0%	30,784	64	0.2%	30,720
Rent revenues	30,565			30,726			
Other lease business revenues	208			58			
Gain on sales of real estate properties	-	33		33	33		-
Operating Expenses	18,405	(153)	(0.8)%	18,251	31	0.2%	18,220
Property-related expenses (*2)	10,591	(178)	(1.7)%	10,412	(47)	(0.4)%	10,460
Property management expenses	3,519	217	6.2%	3,737			
Property management costs	3,413			3,638			
Brokerage fees, etc.	106			99			
Utilities expenses	2,708	(325)	(12.0)%	2,383			
Property and other taxes	2,936	(10)	(0.4)%	2,925			
Casualty insurance	57	1	2.0%	58			
Repairing expenses	1,181	(67)	(5.7)%	1,113			
Other expenses	187	6	3.3%	193			
NOI (*3)	20,182	189	0.9%	20,372	112	0.6%	20,260
Depreciation	6,500	26	0.4%	6,526	36	0.6%	6,490
Property-related profits and losses (*3)	13,682	162	1.2%	13,845	85	0.6%	13,760
Operating Gross Profit	13,682	196	1.4%	13,879	119	0.9%	13,760
Administrative expenses	1,314	(2)	(0.2)%	1,311	41	3.3%	1,270
Asset management fee	964	(4)	(0.5)%	960	50	5.5%	910
Other administrative expenses	349			351			
Operating Profit	12,368	198	1.6%	12,567	77	0.6%	12,490
Non-operating income	30			4			
Interest income	0			0			
Other non-operating income	29			4			
Non-operating expenses	1,440			1,373			
Interest expenses	1,243	(67)	(5.4)%	1,175			
Interest expenses on investment corporation bonds	152	1	0.9%	153	(30)	(2.2)%	1,360
Amortization of investment corporation bond issuance costs	5			5			
Other non-operating expenses	39			38			
Ordinary Profit	10,958	238	2.2%	11,197	117	1.1%	11,080
Profit before income taxes	10,958			11,197			
Income taxes	11			11			
Profit	10,947	239	2.2%	11,186	116	1.1%	11,070
Unappropriated retained earnings	10,979			11,219			
FFO (*4)	17,447	232	1.3%	17,679			
Dividend per unit	8,361	183	2.2%	8,544	84	1.0%	8,460

*1 The initial forecast means the Mar. '17 Period performance forecast announced on November 16, 2016

*2 Excluding Depreciation

*3 Excluding Gain on sales of real estate properties

*4 Profit + Depreciation - Gain on sales of real estate properties

Financial Results for Mar. '17 Period and Forecasts for Sep. '17 and Mar. '18 Periods

(In millions of yen [excluding items where the unit is specified])

Term	Sep.'16 Period		Mar.'17 Period		Sep.'17 Period		Mar.'18 Period
Actual/Forecast	Actual	→ Change →	Actual	→ Change →	Forecast	→ Change →	Forecast
Number of properties	68		69		69		69
Number of days	183 days		182 days		183 days		182 days
Operating Revenues	30,773	+44	30,818	+771	31,590	(100)	31,490
Property-related revenues	30,773	+11	30,784	+805	31,590	(100)	31,490
Gain on sales of real estate properties	-	+33	33	(33)	-		-
Operating Expenses	18,405	(153)	18,251	+488	18,740	(140)	18,600
Expenses related to rent business (*1)	10,591	(178)	10,412	+257	10,670	(120)	10,550
Depreciation	6,500	+26	6,526	+13	6,540	(10)	6,530
Administrative expenses	1,314	(2)	1,311	+208	1,520		1,520
(Asset management fee)	964	(4)	960	+219	1,180	(10)	1,170
NOI (*2)	20,182	+189	20,372	+537	20,910	+20	20,930
Property-related profits and losses (*2)	13,682	+162	13,845	+524	14,370	+30	14,400
Operating Gross Profit	13,682	+196	13,879	+490	14,370	+30	14,400
Operating Profit	12,368	+198	12,567	+272	12,840	+40	12,880
Non-operating income	30	(25)	4	+5	10	(10)	-
Non-operating expenses	1,440	(66)	1,373	(73)	1,300	(30)	1,270
(Interest expenses)	1,395	(65)	1,329	(79)	1,250	(30)	1,220
Ordinary Profit	10,958	+238	11,197	+352	11,550	+60	11,610
Profit	10,947	+239	11,186	+353	11,540	+60	11,600
Units outstanding	1,309,310 units		1,309,310 units		1,309,310 units		1,309,310 units
Dividend per unit	8,361 yen	+183 yen	8,544 yen	+266 yen	8,810 yen	+50 yen	8,860 yen
Occupancy rate at period-end	98.7%	+0.1%	98.8%		98.8%		

*1 Excluding depreciation

*2 Excluding gain on sales of real estate properties

<Factors that may increase or decrease property-related revenues>

- Mar. '17 Period→ Sep. '17 Period: Increase due to the full term operation of the properties (Tamachi Front Building and Kanazawa Kamitsutsumicho Building) and additional shares (Shiodome Building and Shinjuku Eastside Square) acquired in Mar. '17 Period, decrease due to sale of a property (Genki Medical Plaza) for Mar. 17 Period.
Increase due to tenant turnover and upward rent revision for the properties operating full term in Mar. '17 and Sep. '17 Periods.
Increase in revenue due to seasonal factors, etc.
- Sep. '17 Period→ Mar. '18 Period: Decrease in revenue due to seasonal factors, etc.

<Factors that may increase or decrease property-related expenses (excluding depreciation)>

- Mar. '17 Period→ Sep. '17 Period: Increase due to the full term operation of the properties (Tamachi Front Building and Kanazawa Kamitsutsumicho Building) and additional shares (Shiodome Building and Shinjuku Eastside Square) acquired in Mar. '17 Period, decrease due to sale of property (Genki Medical Plaza) for Mar. 17 Period.
Increase in expenses due to seasonal factors, etc.
- Sep. '17 Period→ Mar. '18 Period: Decrease in expenses due to seasonal factors, etc.

Balance Sheet for Mar. '17 Period

Item	End of Sep'16 Period	End of Mar'17 Period	Change	Reason for the change
Assets				
I Current assets				Increase due to increase in rent revenues, decrease due to the acquisition of properties out of cash reserves and repayment of loans, etc.
Cash and deposits	22,546	21,315	(1,231)	
Other current assets	716	672	(43)	
Total current assets	23,263	21,988	(1,275)	
II Non-current assets				
Property, plant and equipment				Increase due to the acquisition of properties and capital expenditure, etc.
Buildings (including those held in trust)	344,936	352,840	7,903	
Structures (including those held in trust)	3,899	3,965	66	
Machinery and equipment (including those held in trust)	4,385	4,549	163	
Land (including those held in trust)	602,320	616,263	13,943	
Accumulated depreciation	(106,192)	(112,094)	(5,902)	
Total property, plant and equipment	849,349	865,524	16,174	
Intangible assets				Decrease due to property transfer, etc.
Leasehold rights, etc. (including those held in trust)	7,322	7,023	(298)	
Total intangible assets	7,322	7,023	(298)	
Investments and other assets				
Investment securities	577	577	-	
Long-term prepaid expenses, etc.	3,099	3,167	68	
Total investments and other assets	3,676	3,744	68	
Total non-current assets	860,348	876,292	15,943	
III Deferred assets				
Investment corporation bond issuance costs	21	26	4	
Total deferred assets	21	26	4	
Total assets	883,633	898,306	14,673	

(In millions of yen)

Item	End of Sep'16 Period	End of Mar'17 Period	Change	Reason for the change
Liabilities				
I Current liabilities				
Short-term loans payable	45,700	36,000	(9,700)	Decrease due to refinancing to long-term loans and increase due to refinancing from the current portion of long-term loans.
Current portion of long-term loans payable	42,850	46,500	3,650	Decrease due to repayment of loans and refinancing to short-term and long-term loans, increase due to transfer from long-term loans.
Current portion of investment corporation bonds	-	-	-	
Advances received	3,500	3,329	(171)	
Other current liabilities	4,187	4,919	732	Increase in accrued construction costs, etc.
Total current liabilities	96,237	90,748	(5,488)	
II Non-current liabilities				
Investment corporation bonds	20,000	30,000	10,000	Increase due to the issuance of the 10th Investment Corporation Bonds.
Long-term loans payable	247,800	256,500	8,700	Increase due to loan for funding acquired properties and refinancing from short-term and current portion of long-term loans, decrease due to transfer to current portion of long-term loans.
Deposits received from tenants	49,727	50,950	1,223	Increase due to acquisition of properties, etc.
Other non-current liabilities	508	508	0	
Total non-current liabilities	318,035	337,958	19,923	
Total liabilities	414,273	428,707	14,434	
Net assets				
Unitholders' capital	458,016	458,016	-	
Reserve for reduction entry	363	363	0	
Unappropriated retained earnings	10,979	11,219	239	
Total net assets	469,359	469,598	239	
Total liabilities and net assets	883,633	898,306	14,673	

Cash Flow and Dividend Statement for Mar.'17 Period

Cash Flow Statement

(In millions of yen)

Items	Mar.'17 Period (182 days)
Cash flows from operating activities	17,190
Profit before income taxes	11,197
Depreciation	6,528
Other	(535)
Cash flows from investing activities	(20,115)
Cash flows from financing activities	1,693
Proceeds from short-term loans payable	23,000
Repayments of short-term loans payable	(32,700)
Proceeds from long-term loans payable	26,700
Repayments of long-term loans payable	(14,350)
Proceeds from investment corporation bonds	10,000
Redemption of investment corporation bonds	-
Payments for investment corporation bond issuance costs	(10)
Proceeds from issuance of investment units	-
Payments for investment unit issuance expenses	-
Dividends paid	(10,946)
Net increase (decrease) in cash and cash equivalents	(1,231)
Cash and cash equivalents at beginning of period	22,546
Cash and cash equivalents at end of period	21,315

Dividend Statement

(In yen)

Items	Mar.'17 Period (182 days)
Unappropriated retained earnings	11,219,420,612
Reversal of reserve for reduction entry	69,182
Dividends paid	11,186,744,640
Retained earnings brought forward	32,745,154

Dividend per unit: **8,544 yen** for Mar.'17 Period
(Sep.'16 Period: 8,361 yen)

Historical Summary of Selected Financial Index in the Previous 5 Periods

Term	Mar.'15 Period	Sep.'15 Period	Mar.'16 Period	Sep.'16 Period	Mar.'17 Period
Number of days	182 days	183 days	183 days	183 days	182 days
Return on assets (ROA)	1.2%	1.2%	1.2%	1.2%	1.3%
(annualized)	2.3%	2.4%	2.4%	2.5%	2.5%
Return on equity (ROE)	2.2%	2.2%	2.3%	2.3%	2.4%
(annualized)	4.4%	4.5%	4.6%	4.7%	4.8%
EOP Equity ratio	51.2%	52.1%	52.7%	53.1%	52.3%
LTV(1)	42.3%	41.5%	40.8%	40.3%	41.1%
LTV(2)	45.8%	44.9%	44.2%	43.8%	44.6%
LTV(3)	40.9%	40.3%	39.4%	38.6%	39.1%
LTV(4)	39.6%	38.2%	36.5%	35.2%	35.4%
EOP Long-term debts to capitalization	108.4%	107.4%	107.6%	110.9%	110.1%
Debt service coverage ratio (DSCR)	10.8 times	12.1 times	12.5 times	13.5 times	14.3 times
NOI (in millions of yen)	18,412	19,670	19,973	20,182	20,372
NOI yield (annualized)	4.2%	4.2%	4.3%	4.4%	4.3%
FFO (in millions of yen)	15,629	16,808	17,079	17,447	17,679
FFO dividend payout ratio	61.5%	62.3%	62.3%	62.7%	63.3%
AFFO (in millions of yen)	12,396	15,668	14,203	15,834	14,836
AFFO dividend payout ratio	77.5%	66.9%	74.9%	69.1%	75.4%

<Definition of each index>

* ROA = Ordinary profit / Average of total assets during the period

For calculation of the average, the total assets of beginning and end for the period is used.

* ROE = Profit / Average of total net assets during the period

For calculation of the average, the total net assets of beginning and end of the period is used.

However, if the new unit is issued during the period, the following formula is used to calculate the average,

with the number of days from the beginning of the period to the day prior to the day of new unit issuance

assumed to be A days and from the day of new unit issuance to the end of the period to be B days:

(Total net assets at the beginning of the period x A days + total net assets at the end of the period x B days) / operating days (A + B days).

* EOP equity ratio = EOP total net assets / EOP total assets

* LTV (1) = EOP interest-bearing debt / EOP total assets

* LTV (2) = EOP interest-bearing debt / (EOP interest-bearing debt + EOP unitholders' capital)

* LTV (3) = EOP interest-bearing debt / EOP total property acquisition price

* LTV (4) = EOP interest-bearing debt / EOP total property appraisal values determined by institutional appraisers

* EOP long-term debts to capitalization = EOP non-current assets / (EOP long-term loans and others + EOP unitholders' capital)

* DSCR = Profit before interest, taxes, depreciation and amortization / Interest expenses

* NOI = Property-related revenues – Property-related expenses + Depreciation

* NOI Yield = Annualized NOI / Total amount of acquisition price

* FFO = Profit + Depreciation – Gain (Loss) on transfer of properties

* FFO Dividend Payout Ratio = Total amount of dividends / FFO

* AFFO = FFO – Capital expenditures

* AFFO Dividend Payout Ratio = Total Amount of Dividends / AFFO

JRE's Achievement after IPO and Performance Forecasts

	Mar.'02 05/01 ~ 03/02	Sep.'02 04/02 ~ 09/02	Mar.'03 10/02 ~ 03/03	Sep.'03 04/03 ~ 09/03	Mar.'04 10/03 ~ 03/04	Sep.'04 04/04 ~ 09/04	Mar.'05 10/04 ~ 03/05	Sep.'05 04/05 ~ 09/05
Operating revenues	6,492	7,910	8,500	8,965	9,560	10,151	10,747	13,119
(% change from the preceding period)	-	(+21.8%)	(+7.5%)	(+5.5%)	(+6.6%)	(+6.2%)	(+5.9%)	(+22.1%)
Property-related revenues	6,492	7,910	8,500	8,965	9,560	10,151	10,747	13,119
(% change from the preceding period)	-	(+21.8%)	(+7.5%)	(+5.5%)	(+6.6%)	(+6.2%)	(+5.9%)	(+22.1%)
Gain on transfer of unused development rights of floor area	-	-	-	-	-	-	-	-
Gain on sales of real estate properties	-	-	-	-	-	-	-	-
Dividend income	-	-	-	-	-	-	-	-
Compensation for property transfer	-	-	-	-	-	-	-	-
Operating profit	2,961	3,386	3,687	3,898	4,341	4,358	4,701	6,226
(% change from the preceding period)	-	(+14.4%)	(+8.9%)	(+5.7%)	(+11.4%)	(+0.4%)	(+7.9%)	(+32.4%)
Ordinary profit	2,405	2,898	3,259	3,408	3,803	3,831	4,121	5,510
(% change from the preceding period)	-	(+20.5%)	(+12.5%)	(+4.6%)	(+11.6%)	(+0.7%)	(+7.6%)	(+33.7%)
Profit	2,403	2,897	3,258	3,407	3,802	3,830	4,120	5,509
(% change from the preceding period)	-	(+20.5%)	(+12.5%)	(+4.6%)	(+11.6%)	(+0.7%)	(+7.6%)	(+33.7%)
Units outstanding	160,400 units	225,400 units	225,400 units	225,400 units	260,400 units	260,400 units	260,400 units	345,400 units
(Ref) Units outstanding on a post-split basis (*1)	320,800 units	450,800 units	450,800 units	450,800 units	520,800 units	520,800 units	520,800 units	690,800 units
Dividend per unit	14,983 yen	12,853 yen	14,455 yen	15,117 yen	14,602 yen	14,711 yen	15,824 yen	15,951 yen
(Ref) Dividend per unit on a post-split basis (*1)	7,491 yen	6,426 yen	7,227 yen	7,558 yen	7,301 yen	7,355 yen	7,912 yen	7,975 yen
Total assets	161,809	185,397	200,022	209,581	244,523	257,372	322,358	355,968
Total net assets	83,663	115,049	115,410	115,559	137,250	137,279	137,569	206,982
Net assets per unit (*1)	260,795 yen	255,212 yen	256,013 yen	256,344 yen	263,538 yen	263,592 yen	264,149 yen	299,627 yen
Total liabilities	78,146	70,347	84,611	94,021	107,272	120,093	184,789	148,985
Interest-bearing debt	64,000	54,000	66,800	76,000	87,000	99,000	159,000	122,000
LTV	39.6%	29.1%	33.4%	36.3%	35.6%	38.5%	49.3%	34.3%
Unit price (period-end) (*1)	265,000 yen	255,500 yen	296,000 yen	324,000 yen	415,000 yen	437,500 yen	437,500 yen	457,500 yen
Market capitalization	85,012	115,179	133,436	146,059	216,132	227,850	227,850	316,041
Number of properties	24	27	30	32	36	39	46	50
Total acquisition price of properties	144,697	164,277	183,542	192,607	218,437	239,827	290,510	326,560
Total leasable floor area	201,884㎡	215,928㎡	236,693㎡	246,062㎡	273,157㎡	293,105㎡	336,026㎡	364,610㎡
Occupancy rate	94.0%	95.3%	94.4%	95.1%	94.8%	93.6%	97.6%	98.6%
Issuance of new units								
Number of newly issued units	-	65,000 units	-	-	35,000 units	-	-	85,000 units
Offer price	-	490,980 yen	-	-	629,000 yen	-	-	826,000 yen
Aggregate amount of offer price	-	31,913	-	-	22,015	-	-	70,210
Issue price	-	475,268 yen	-	-	608,456 yen	-	-	800,288 yen
Aggregate amount of issue price	-	30,892	-	-	21,295	-	-	68,024
Payment date	-	05/07/2002	-	-	10/24/2003	-	-	04/26/2005

(In millions of yen [excluding items where the units are specified])

Mar.'06 10/05 ~ 03/06	Sep.'06 04/06 ~ 09/06	Mar.'07 10/06 ~ 03/07	Sep.'07 04/07 ~ 09/07	Mar.'08 10/07 ~ 03/08	Sep.'08 04/08 ~ 09/08	Mar.'09 10/08 ~ 03/09	Sep.'09 04/09 ~ 09/09
13,962 (+6.4%)	15,570 (+11.5%)	16,960 (+8.9%)	17,530 (+3.4%)	25,743 (+46.9%)	19,805 (-23.1%)	20,716 (+4.6%)	21,524 (+3.9%)
13,962 (+6.4%)	15,169 (+8.6%)	16,500 (+8.8%)	17,132 (+3.8%)	17,807 (+3.9%)	19,805 (+11.2%)	20,716 (+4.6%)	20,795 (+0.4%)
-	-	-	-	-	-	-	728
-	400	459	397	-	-	-	-
-	-	-	-	7,935	-	-	-
-	-	-	-	-	-	-	-
6,319 (+1.5%)	7,041 (+11.4%)	8,304 (+17.9%)	8,739 (+5.2%)	14,218 (+62.7%)	9,807 (-31.0%)	9,955 (+1.5%)	10,054 (+1.0%)
5,586 (+1.4%)	5,977 (+7.0%)	7,184 (+20.2%)	7,586 (+5.6%)	12,946 (+70.7%)	8,449 (-34.7%)	8,426 (-0.3%)	8,505 (+0.9%)
5,585 (+1.4%)	5,976 (+7.0%)	7,183 (+20.2%)	7,585 (+5.6%)	12,945 (+70.7%)	8,448 (-34.7%)	8,425 (-0.3%)	8,504 (+0.9%)
345,400 units	345,400 units	410,000 units	410,000 units	443,000 units	443,000 units	443,000 units	443,000 units
690,800 units	690,800 units	820,000 units	820,000 units	886,000 units	886,000 units	886,000 units	886,000 units
16,172 yen	17,302 yen	17,521 yen	18,500 yen	29,223 yen	19,072 yen	19,020 yen	19,198 yen
8,086 yen	8,651 yen	8,760 yen	9,250 yen	14,611 yen	9,536 yen	9,510 yen	9,599 yen
433,552	441,163	443,973	449,643	527,537	542,920	565,022	564,528
207,058	207,449	271,867	272,269	310,547	306,050	306,027	306,106
299,737 yen	300,302 yen	331,545 yen	332,035 yen	350,504 yen	345,429 yen	345,403 yen	345,492 yen
226,493	233,714	172,105	177,374	216,990	236,869	258,994	258,422
196,500	202,500	140,000	144,500	177,500	199,500	220,500	220,500
45.3%	45.9%	31.5%	32.1%	33.6%	36.7%	39.0%	39.1%
510,000 yen	500,000 yen	780,000 yen	690,000 yen	580,000 yen	418,000 yen	378,000 yen	367,000 yen
352,308	345,400	639,600	565,800	513,880	370,348	334,908	325,162
52	49	50	50	53	54	55	55
412,766	418,693	441,276	446,940	518,969	542,969	564,219	564,219
400,090m ²	396,173m ²	397,928m ²	406,605m ²	479,877m ²	508,296m ²	516,411m ²	516,421m ²
98.7%	98.2%	97.8%	98.7%	95.9%	96.1%	95.5%	93.3%
-	-	64,600 units	-	33,000 units	-	-	-
-	-	1,009,400 yen	-	1,029,000 yen	-	-	-
-	-	65,207	-	33,957	-	-	-
-	-	978,500 yen	-	997,500 yen	-	-	-
-	-	63,211	-	32,917	-	-	-
-	-	10/24/2006	-	03/12/2008	-	-	-

- The land and building adjacent to Ryoshin Ginza East Mirror Building are not included in the number of properties and total acquisition price of properties for Sep. '08 through Mar. '10 Periods.
- The acquisition price related to the transfer of the part of Jingumae Media Square Building site is not excluded.
- As Nippon Brunswick (building) (Currently: Shinjuku South Gate Project (tentative name)) was sold as of August 23, 2013 and JRE owns the land with leasehold interest, total leasable floor area and occupancy rate for Nippon Brunswick (Currently: Shinjuku South Gate Project (tentative name)) are excluded.

(*1) JRE implemented a 2-for-1 split of each investment unit as of January 1, 2014.
The figures for Mar. '02 through Sep. '13 Periods have taken the split into account.

	Mar.'10 10/09 ~ 03/10	Sep.'10 04/10 ~ 09/10	Mar.'11 10/10 ~ 03/11	Sep.'11 04/11 ~ 09/11	Mar.'12 10/11 ~ 03/12	Sep.'12 04/12 ~ 09/12	Mar.'13 10/12 ~ 03/13	Sep.'13 04/13 ~ 09/13
Operating revenues	21,665	22,112	22,135	22,829	24,059	24,222	25,357	26,225
(% change from the preceding period)	(+0.7%)	(+2.1%)	(+0.1%)	(+3.1%)	(+5.4%)	(+0.7%)	(+4.7%)	(+3.4%)
Property-related revenues	20,758	22,112	22,135	22,283	24,059	24,222	25,357	26,206
(% change from the preceding period)	(-0.2%)	(+6.5%)	(+0.1%)	(+0.7%)	(+8.0%)	(+0.7%)	(+4.7%)	(+3.4%)
Gain on transfer of unused development rights of floor area	-	-	-	-	-	-	-	-
Gain on sales of real estate properties	885	-	-	546	-	-	-	18
Dividend income	-	-	-	-	-	-	-	-
Compensation for property transfer	21	-	-	-	-	-	-	-
Operating profit	10,538	9,939	9,802	10,380	10,786	10,212	10,631	10,781
(% change from the preceding period)	(+4.8%)	(-5.7%)	(-1.4%)	(+5.9%)	(+3.9%)	(-5.3%)	(+4.1%)	(+1.4%)
Ordinary profit	8,876	8,135	7,938	8,603	8,863	8,372	8,749	9,143
(% change from the preceding period)	(+4.4%)	(-8.3%)	(-2.4%)	(+8.4%)	(+3.0%)	(-5.5%)	(+4.5%)	(+4.5%)
Profit	8,875	8,134	7,652	8,268	8,934	8,448	8,824	9,129
(% change from the preceding period)	(+4.4%)	(-8.4%)	(-5.9%)	(+8.1%)	(+8.1%)	(-5.4%)	(+4.5%)	(+3.5%)
Units outstanding	489,200 units	489,200 units	489,200 units	489,200 units	549,040 units	549,040 units	594,140 units	594,140 units
(Ref) Units outstanding on a post-split basis (*1)	978,400 units	978,400 units	978,400 units	978,400 units	1,098,080 units	1,098,080 units	1,188,280 units	1,188,280 units
Dividend per unit	18,043 yen	16,628 yen	15,642 yen	15,850 yen	16,190 yen	15,700 yen	15,140 yen	15,366 yen
(Ref) Dividend per unit on a post-split basis (*1)	9,021 yen	8,314 yen	7,821 yen	7,925 yen	8,095 yen	7,850 yen	7,570 yen	7,683 yen
Total assets	637,326	634,974	646,847	643,949	703,085	724,851	765,628	775,066
Total net assets	333,228	332,536	332,054	332,670	372,869	372,429	405,280	405,415
Net assets per unit (*1)	340,585 yen	339,877 yen	339,385 yen	340,014 yen	339,565 yen	339,164 yen	341,065 yen	341,178 yen
Total liabilities	304,097	302,437	314,793	311,279	330,215	352,422	360,347	369,651
Interest-bearing debt	262,500	262,450	272,400	269,350	284,300	305,750	311,200	320,150
LTV	41.2%	41.3%	42.1%	41.8%	40.4%	42.2%	40.6%	41.3%
Unit price (period-end) (*1)	398,500 yen	379,500 yen	393,500 yen	377,000 yen	364,500 yen	393,000 yen	644,500 yen	574,000 yen
Market capitalization	389,892	371,302	385,000	368,856	400,250	431,545	765,846	682,072
Number of properties	55	55	57	56	57	58	60	62
Total acquisition price of properties	641,245	643,891	660,601	657,863	718,663	740,663	782,433	794,230
Total leasable floor area	566,277 m²	567,612 m²	588,984 m²	584,964 m²	629,761 m²	645,787 m²	700,759 m²	713,180 m²
Occupancy rate	93.0%	92.4%	93.2%	94.6%	94.7%	95.5%	96.7%	96.3%
Issuance of new units								
Number of newly issued units	46,200 units	-	-	-	59,840 units	-	45,100 units	-
Offer price	597,520 yen	-	-	-	672,750 yen	-	746,850 yen	-
Aggregate amount of offer price	27,605	-	-	-	40,257	-	33,682	-
Issue price	579,040 yen	-	-	-	652,050 yen	-	723,870 yen	-
Aggregate amount of issue price	26,751	-	-	-	39,018	-	32,646	-
Payment date	12/08/2009 12/22/2009	-	-	-	02/28/2012 03/27/2012	-	10/29/2012 11/28/2012	-

(In millions of yen [excluding items where the units are specified])

Mar.'14	Sep.'14	Mar.'15	Sep.'15	Mar.'16	Sep.'16	Mar.'17	Sep.'17 forecast	Mar.'18 forecast
10/13 ~ '03/14	04/14 ~ 09/14	10/14 ~ 03/15	04/15 ~ 09/15	10/15 ~ 03/16	04/16 ~ 09/16	10/16 ~ 03/17	04/17 ~ 09/17	10/17 ~ 03/18
26,582	27,760	28,314	29,980	30,589	30,773	30,818	31,590	31,490
(+1.4%)	(+4.4%)	(+2.0%)	(+5.9%)	(+2.0%)	(+0.6%)	(+0.1%)	(+2.5%)	(-0.3%)
26,582	27,760	28,314	29,980	30,428	30,773	30,784	31,590	31,490
(+1.4%)	(+4.4%)	(+2.0%)	(+5.9%)	(+1.5%)	(+1.1%)	(+0.0%)	(+2.6%)	(-0.3%)
-	-	-	-	-	-	-	-	-
-	-	-	-	161	-	33	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
10,831	11,255	11,243	12,054	12,352	12,368	12,567	12,840	12,880
(+0.5%)	(+3.9%)	(-0.1%)	(+7.2%)	(+2.5%)	(+0.1%)	(+1.6%)	(+2.2%)	(+0.3%)
9,083	9,582	9,625	10,487	10,816	10,958	11,197	11,550	11,610
(-0.7%)	(+5.5%)	(+0.4%)	(+9.0%)	(+3.1%)	(+1.3%)	(+2.2%)	(+3.1%)	(+0.5%)
9,070	9,572	9,619	10,476	10,753	10,947	11,186	11,540	11,600
(-0.7%)	(+5.5%)	(+0.5%)	(+8.9%)	(+2.6%)	(+1.8%)	(+2.2%)	(+3.2%)	(+0.5%)
1,188,280 units	1,251,530 units	1,251,530 units	1,309,310 units	1,309,310 units	1,309,310 units	1,309,310 units	1,309,310 units	1,309,310 units
-	-	-	-	-	-	-	-	-
7,633 yen	7,648 yen	7,681 yen	8,001 yen	8,121 yen	8,361 yen	8,544 yen	8,810 yen	8,860 yen
-	-	-	-	-	-	-	-	-
817,130	813,931	852,679	899,938	890,626	883,633	898,306	-	-
405,355	436,622	436,671	468,767	469,044	469,359	469,598	-	-
341,128 yen	348,871 yen	348,909 yen	358,026 yen	358,238 yen	358,478 yen	358,661 yen	-	-
411,774	377,308	416,007	431,171	421,581	414,273	428,707	-	-
358,900	323,550	361,000	373,450	363,400	356,350	369,000	-	-
43.9%	39.8%	42.3%	41.5%	40.8%	40.3%	41.1%	-	-
518,000 yen	564,000 yen	565,000 yen	551,000 yen	650,000 yen	605,000 yen	590,000 yen	-	-
615,529	705,862	707,114	721,429	851,051	792,132	772,492	-	-
64	64	68	70	68	68	69	69	69
837,405	838,055	883,514	927,778	923,448	923,623	944,723	944,723	944,723
750,956m ²	752,723m ²	793,976m ²	832,030m ²	820,381m ²	820,917m ²	835,069m ²	835,069m ²	835,069m ²
96.7%	97.8%	97.8%	97.7%	98.3%	98.7%	98.8%	98.8%	-
-	63,250 units	-	57,780 units	-	-	-	-	-
-	501,760 yen	-	557,620 yen	-	-	-	-	-
-	31,736	-	32,219	-	-	-	-	-
-	486,400 yen	-	540,550 yen	-	-	-	-	-
-	30,764	-	31,232	-	-	-	-	-
-	04/15/2014	-	04/06/2015	-	-	-	-	-
-	05/14/2014	-	05/11/2015	-	-	-	-	-

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- The acquisition price related to the transfer of the part of Jingumae Media Square Building site is not excluded.
- As Nippon Brunswick (building) (Currently: Shinjuku South Gate Project (tentative name)) was sold as of August 23, 2013 and JRE owns the land with leasehold interest, total leasable floor area and occupancy rate for Nippon Brunswick (Currently: Shinjuku South Gate Project (tentative name)) are excluded.

(*1) JRE implemented a 2-for-1 split of each investment unit as of January 1, 2014.
The figures for Mar. '02 through Sep. '13 Periods have taken the split into account.

Performance Comparison (Sep. '16 Period vs Mar. '17 Period)

Increase and decrease in the entire portfolio

=The total sum of groups A・ B・ C below



Factors affecting increase and decrease in each group

* Asset Group A *

67 properties operated all through Sep.'16 and Mar.'17 Periods

(Including Shinjuku South Gate Project (tentative name) (Land with leasehold interest), Shiodome Building (existing shares) and Shinjuku Eastside (existing shares))

<Main factors affecting increase and decrease of Repairing Expenses>

Name of Building	Difference
Akasaka Park	67
Sanno Grand	47
Shiba 2Chome Daimon	43
MM Park	35
Shibuya Cross Tower	(266)
Nagoya Hirokoji	(185)

(In millions of yen)

	Sep.'16 Period	Mar.'17 Period	Change	% Change
Property-related Revenues	30,773	30,784	11	0.0%
Property-related Expenses (*1)	17,091	16,939	(151)	(0.9)%
Property-related Profits and Losses	13,682	13,845	162	1.2%
NOI (*2)	20,182	20,372	189	0.9%
Occupancy Rate as of the end of the Period	98.7%	98.8%	0.1%	
Average Occupancy Rate during the Period	98.3%	98.7%	0.4%	

(*1) Property-related Expenses include Depreciation

(*2) NOI = Net Operating Income: Property-related Profits and Losses + Depreciation

	Sep.'16 Period	Mar.'17 Period	Change	% Change
Property-related Revenues	30,551	30,447	(104)	(0.3)%
Property-related Expenses	17,019	16,771	(248)	(1.5)%
Property Management Expenses	3,506	3,708	201	5.7%
Utilities Expenses	2,690	2,360	(330)	(12.3)%
Property and Other Taxes	2,919	2,908	(10)	(0.4)%
Casualty Insurance	57	58	0	1.2%
Repairing Expenses	1,180	1,111	(69)	(5.9)%
Other Expenses	184	192	7	3.9%
Depreciation	6,479	6,433	(46)	(0.7)%
Property-related Profits and Losses	13,531	13,675	144	1.1%
NOI	20,011	20,108	97	0.5%
Occupancy Rate as of the end of the Period	98.7%	98.8%	0.1%	
Average Occupancy Rate during the Period	98.3%	98.7%	0.4%	

* Asset Group B *

4 properties acquired during Mar.'17 period

(Shiodome Building (additional acquisition), Tamachi Front, Shinjuku Eastside (additional acquisition), Kanazawa Kamitsutsumicho)

	Sep.'16 Period	Mar.'17 Period	Change
Property-related Revenues	0	192	192
Property-related Expenses	0	118	118
Property-related Profits and Losses	0	74	74
NOI	0	154	154

* Asset Group C *

1 property transferred during Mar.'17 period

(Genki Medical Plaza)

	Sep.'16 Period	Mar.'17 Period	Change
Property-related Revenues	222	145	(77)
Property-related Expenses	71	49	(21)
Property-related Profits and Losses	151	95	(55)
NOI	171	109	(62)

* Please refer to the "Property Data" (excel file) downloadable from the top page of JRE website (<http://www.j-re.co.jp/en/>), "Financial Results" in the center right for performance comparison by building for Mar.'17 Period.

Factors affecting Increase and Decrease

(In millions of yen)

〈Property-related revenues〉

Increase in revenues

¥ 11 million

Factors that increased revenues

Group B, 192

Factors that decreased revenues

Group A, 104

Group C, 77

<Main Factors affecting Increase and Decrease>

	Name of Building	Sep. '16 Period	Mar. '17 Period	Change	% Change
Best 5	Jingumae Media Square Building	166	220	54	32.6%
	Shibuya Cross Tower	1,398	1,440	42	3.0%
	Tokyo Opera City	1,469	1,505	36	2.5%
	Ginza 1Chome East Building	145	175	30	20.8%
	Shinjuku Eastside Square (existing shares)	658	680	22	3.4%
Worst 5	Nagoya Hirokoji Building	662	539	(123)	(18.6)%
	Harumi Center Building	608	505	(103)	(16.9)%
	MM Park Building	1,320	1,291	(29)	(2.2)%
	Harumi Front	1,248	1,220	(27)	(2.2)%
	TIXTOWER UENO	651	627	(24)	(3.7)%

〈Property-related expenses〉

Decrease in expenses

¥ (151) million

Factors that increased expenses

Group B, 118

Factors that decreased expenses

Group A, 248

Group C, 21

〈Property-related profits and losses〉

Increase in profits

¥ 162 million

Factors that increased profits

Group A, 144

Group B, 74

Factors that decreased profits

Group C, 55

■ Group A ■ Group B ■ Group C

Breakdown of Factors in the Net Increase of Operating Revenues and Operating Profit

(In millions of yen)

	Sep. '16 Period Actual	Mar. '17 Period Actual	Sep. '17 Period Forecast	Mar. '18 Period Forecast
Operating revenues	30,773	30,818	31,590	31,490

	Sep. '16 →Mar. '17	Mar. '17 →Sep. '17	Sep. '17 →Mar. '18
Change	44	771	(100)
Property-related revenues	11	805	(100)
Existing property (*)	(104)	452	(100)
Property acquired			
Mar. '17 Period	192	497	
Property transferred			
Mar. '17 Period	(77)	(145)	
Gain on sales of real estate properties	33	(33)	

	Sep. '16 Period Actual	Mar. '17 Period Actual	Sep. '17 Period Forecast	Mar. '18 Period Forecast
Operating profit	12,368	12,567	12,840	12,880

	Sep. '16 →Mar. '17	Mar. '17 →Sep. '17	Sep. '17 →Mar. '18
Change	198	272	40
Property-related profits and losses	162	524	30
Existing property (*)	144	294	30
Property acquired			
Mar. '17 Period	74	325	
Property transferred			
Mar. '17 Period	(55)	(95)	
Gain on sales of real estate properties	33	(33)	
Administrative expenses	2	(208)	0

(*) Comparison made from the second term after the whole period operation (6 months) on condition of the same shares.

Historical NOI Yield (Investment Yield)

Historical Property- related Revenues, Occupancy Rate, NOI Yield (Properties with constantly held Shares of Ownership)

- Comparison of JRE's portfolio of properties with constantly held shares of ownership throughout the year and on which JRE has paid property and city planning taxes
- Property-related revenues are scaled as 100 at the end of each period (starting point).

* NOI Yield = Annualized NOI/Acquisition Price

		Sep. '13 Period	Mar. '14 Period	Sep. '14 Period	Mar. '15 Period	Sep. '15 Period	Mar. '16 Period	Sep. '16 Period	Mar. '17 Period
50 properties held as of the beginning of Sep. '13 Period	Property-related revenues	100.0	98.7	98.6	98.5	99.4	99.6	100.7	99.9
	Average occupancy rate	96.4%	95.8%	97.6%	97.8%	97.8%	98.3%	98.3%	98.5%
Acquisition price ¥ 631 billion	NOI Yield	4.25%	4.20%	4.17%	4.16%	4.21%	4.25%	4.28%	4.31%
54 properties held as of the beginning of Sep. '14 Period	Property-related revenues			100.0	100.3	101.1	101.2	102.5	101.7
	Average occupancy rate			97.2%	97.8%	97.9%	98.3%	98.3%	98.6%
Acquisition price ¥ 685 billion	NOI Yield			4.29%	4.32%	4.34%	4.40%	4.42%	4.48%
57 properties held as of the beginning of Sep. '15 Period	Property-related revenues					100.0	100.2	101.3	100.6
	Average occupancy rate					97.9%	98.3%	98.3%	98.6%
Acquisition price ¥ 732 billion	NOI Yield					4.37%	4.41%	4.44%	4.51%
63 properties held as of the beginning of Sep. '16 Period	Property-related revenues							100.0	99.5
	Average occupancy rate							98.3%	98.6%
Acquisition price ¥ 798 billion	NOI Yield							4.46%	4.51%

50 properties held as of the beginning of Sep. '13 Period

Excluded 3 properties already transferred, Shinjuku South Gate Project (tentative name) (Land with leasehold interest), Ebisu Neonato, Harumi Front, Higashi Nibancho, Nishiki Park, Harmony Tower and Shiodome from 60 properties.

54 properties held as of the beginning of Sep. '14 Period

Excluded 3 properties already transferred, Shinjuku South Gate Project (tentative name) (Land with leasehold interest), Queen's, Ebisu Neonato, Otemachi FCN, Nishiki Park, Harmony Tower and Shiodome from 64 properties.

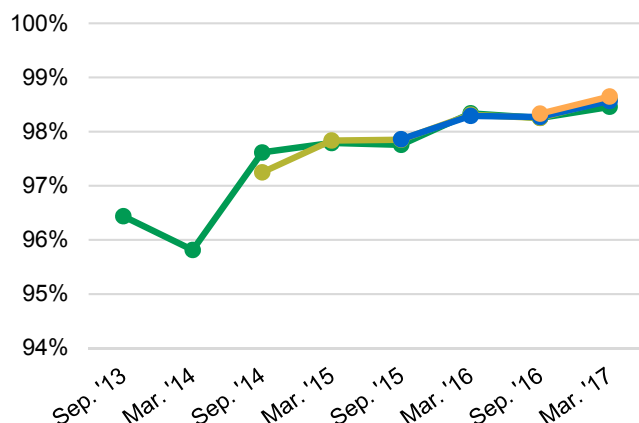
57 properties held as of the beginning of Sep. '15 Period

Excluded 3 properties already transferred, Shinjuku South Gate Project (tentative name) (Land with leasehold interest), Clover Shiba-koen, Ginza 1Chome, Harmony Tower, Amagasaki Front, Umeda Square, Shiodome, Nishiki Park and Shinjuku Eastside from 69 properties.

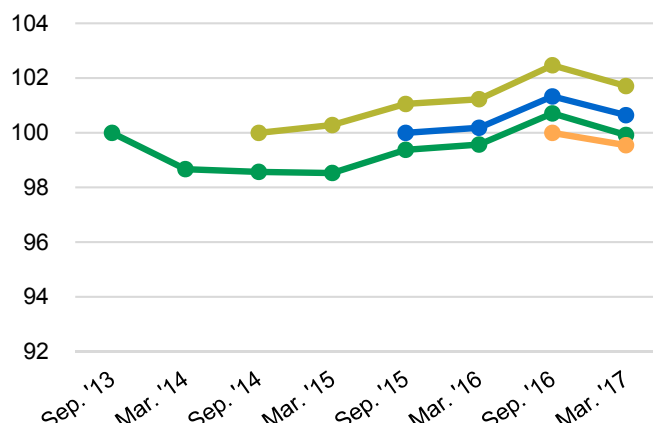
63 properties held as of the beginning of Sep. '16 Period

Excluded 1 properties already transferred, Shinjuku South Gate Project (tentative name) (Land with leasehold interest), Shiodome, Nishiki Park and Shinjuku Eastside from 68 properties.

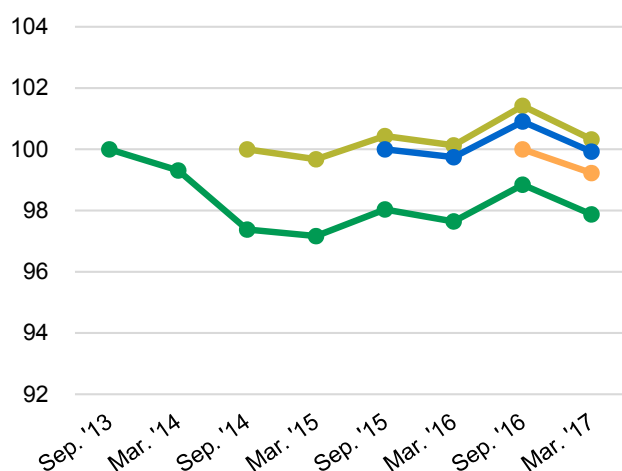
Average Occupancy Rate during the Period



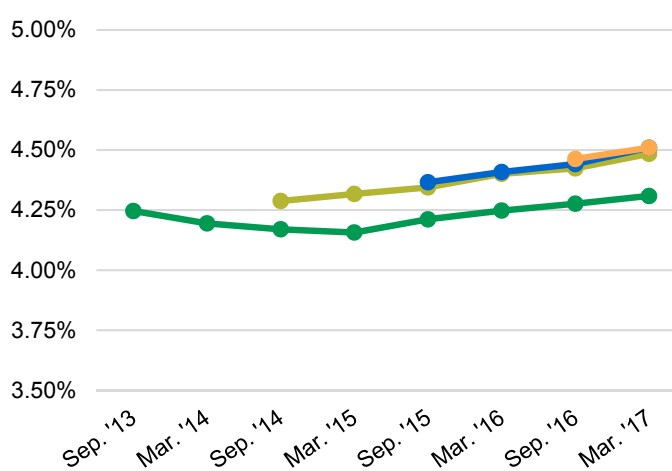
Property-related Revenues



Revenues / Average Occupancy Rate during the Period



NOI Yield



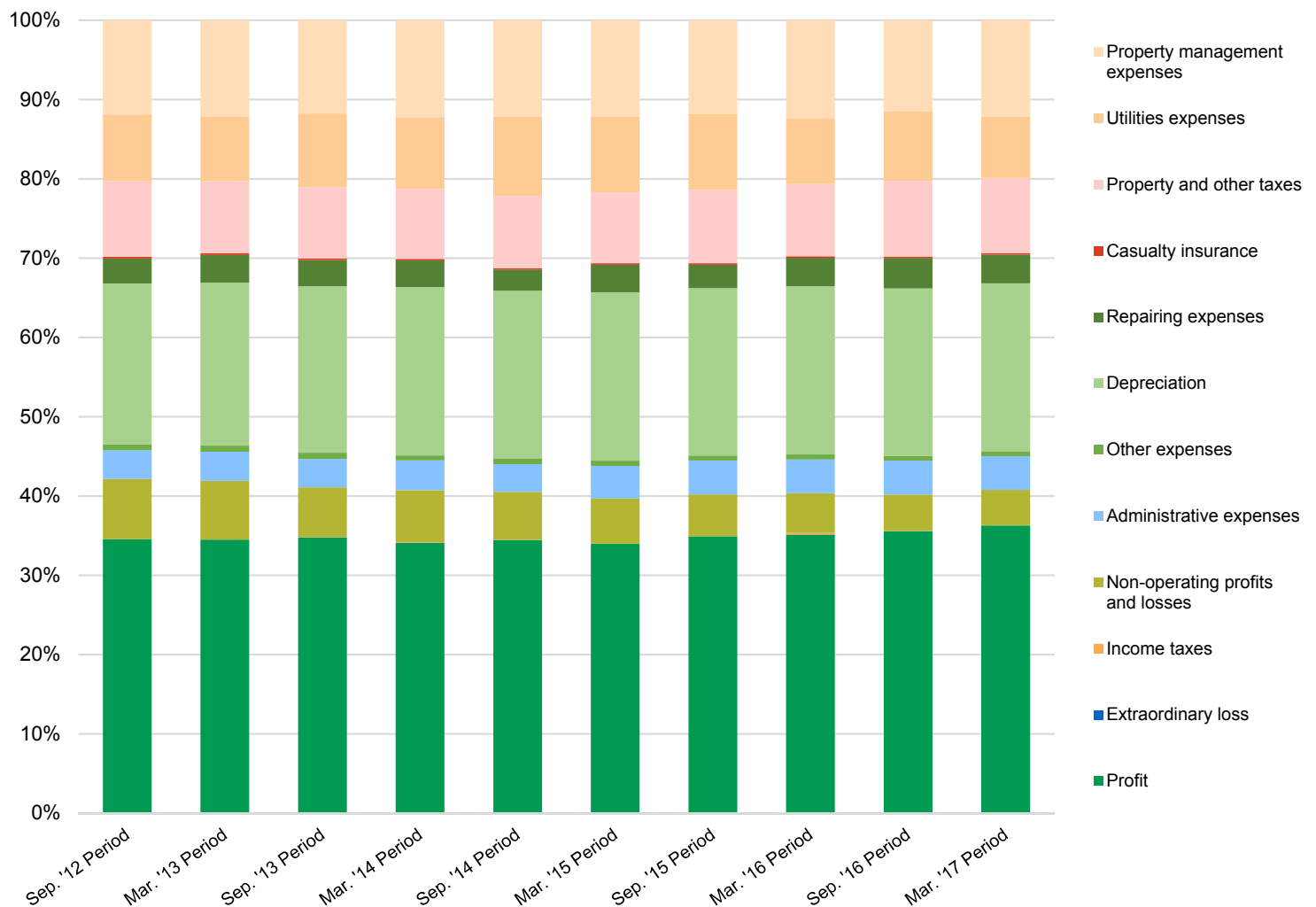
— 50 properties held as of the beginning of Sep. '13 Period
— 57 properties held as of the beginning of Sep. '15 Period

— 54 properties held as of the beginning of Sep. '14 Period
— 63 properties held as of the beginning of Sep. '16 Period

Breakdown of Operating Revenues

	Sep. '12 Period	Mar. '13 Period	Sep. '13 Period	Mar. '14 Period	Sep. '14 Period	Mar. '15 Period	Sep. '15 Period	Mar. '16 Period	Sep. '16 Period	Mar. '17 Period
Operating revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Property management expenses	11.9%	12.1%	11.7%	12.2%	12.2%	12.2%	11.8%	12.3%	11.4%	12.1%
Utilities expenses	8.4%	8.2%	9.3%	9.1%	10.0%	9.5%	9.6%	8.3%	8.8%	7.7%
Property and other taxes	9.5%	9.1%	9.0%	8.8%	9.1%	8.9%	9.2%	9.1%	9.5%	9.5%
Casualty insurance	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Repairing expenses	3.2%	3.5%	3.3%	3.3%	2.6%	3.5%	2.9%	3.6%	3.8%	3.6%
Depreciation	20.3%	20.5%	21.0%	21.3%	21.2%	21.2%	21.1%	21.2%	21.1%	21.2%
Other expenses	0.8%	0.8%	0.8%	0.6%	0.7%	0.7%	0.6%	0.6%	0.6%	0.6%
Administrative expenses	3.6%	3.7%	3.6%	3.8%	3.5%	4.1%	4.3%	4.2%	4.3%	4.3%
Non-operating profits and losses	7.6%	7.4%	6.2%	6.6%	6.0%	5.7%	5.2%	5.0%	4.6%	4.4%
Income taxes	(0.3)%	(0.3)%	0.1%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%
Extraordinary loss	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Profit	34.9%	34.8%	34.8%	34.1%	34.5%	34.0%	34.9%	35.2%	35.6%	36.3%

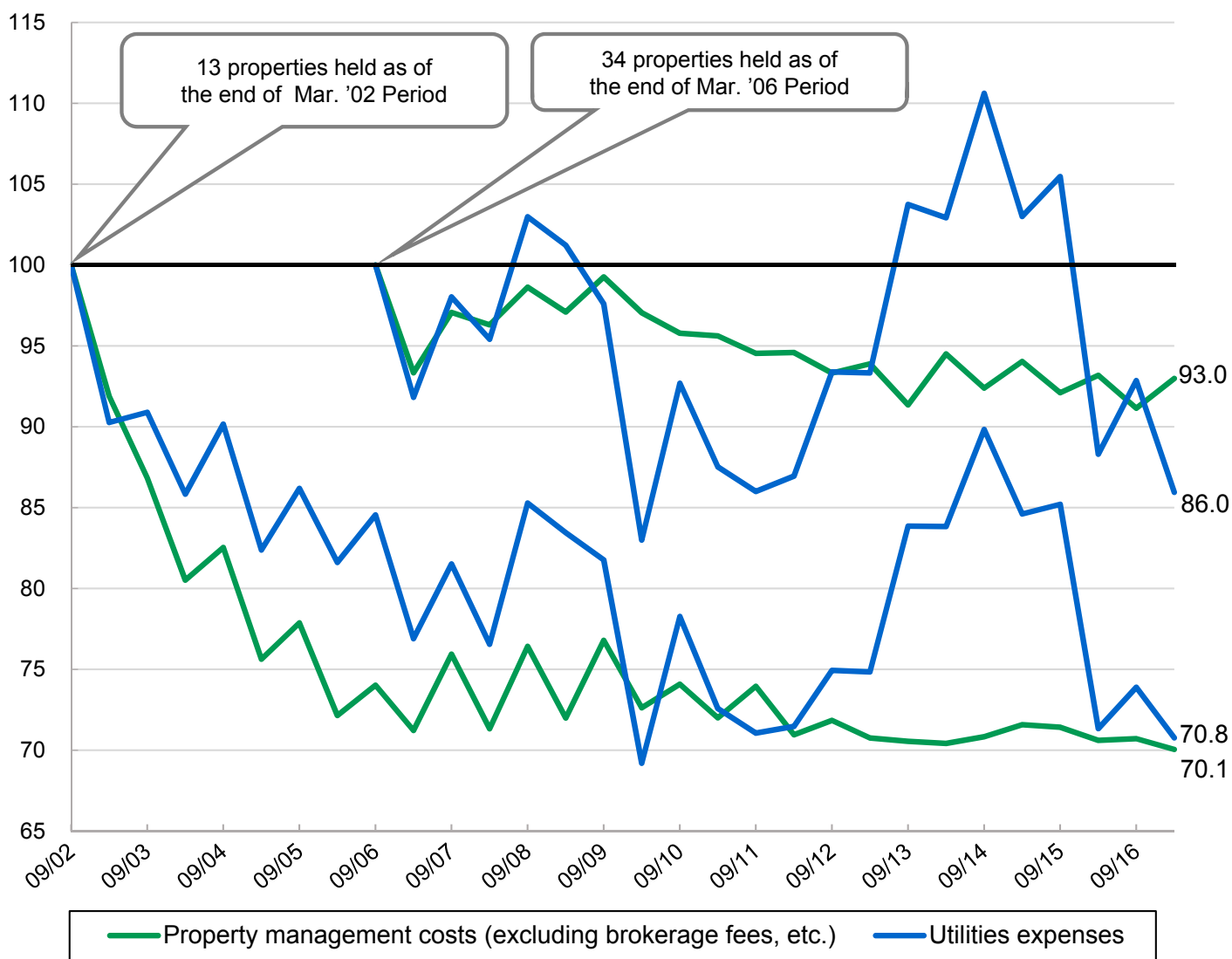
*In Operating revenues, Gain on sales of real estate properties is included in Sep. '13, Mar. '16 and Mar. '17 Periods.



Trend in Property Management Costs and Utilities Expenses

- Comparison of JRE's portfolio with constantly held shares of ownership in which no increase or decrease (including transfer) of shares has been seen since the end of Mar. '02 and Mar. '06 Periods.
- The trend sets the property management costs and utilities expenses as of the end of Mar. '02 and Mar. '06 Periods (the start of each trend) at 100

* Brokerage fees, etc. are excluded from the property management costs.



Achieved steady cost reduction by reviewing the management system and renewing facilities

Past Record of Capital Expenditure and Repairing Expenses for Renovation Work and Future Plan

JRE's Renovation Work

- Prepared mid- to long-term renovation plans, taking stable cash flow into account
- Conducted renovation work that increases profitability through such efforts as reducing costs and attracting tenants
- Conducted customer service renovation work that improves amenities for tenants, including work to improve air-conditioning systems and restrooms
- Conducted appropriate renovations to maintain building functions
- Had a third-party review on the construction estimates and costs (order placed), and carried out proper construction management

Construction Costs and Depreciation (Actual)

(In millions of yen)

	Mar. '02 Period	Sep. '02 Period	Mar. '03 Period	Sep. '03 Period	Mar. '04 Period	Sep. '04 Period	Mar. '05 Period	Sep. '05 Period	Mar. '06 Period	Sep. '06 Period
Construction costs	794	453	933	841	1,585	1,161	1,178	1,025	1,728	1,654
Repairing expenses (reported as expense)	321	152	323	289	365	363	471	474	528	513
Capital expenditure (capitalized as asset)	472	301	609	552	1,219	797	706	550	1,200	1,141
Depreciation	1,100	1,194	1,310	1,393	1,498	1,657	1,641	2,017	2,359	2,682
Total assets	161,809	185,397	200,022	209,581	244,523	257,372	322,358	355,968	433,552	441,163
Property-related revenues	6,492	7,910	8,500	8,965	9,560	10,151	10,747	13,119	13,962	15,169

	Mar. '07 Period	Sep. '07 Period	Mar. '08 Period	Sep. '08 Period	Mar. '09 Period	Sep. '09 Period	Mar. '10 Period	Sep. '10 Period	Mar. '11 Period	Sep. '11 Period
Construction costs	2,857	1,520	2,760	1,138	1,721	2,309	2,074	1,563	2,315	1,328
Repairing expenses (reported as expense)	916	580	991	511	676	1,119	756	790	833	585
Capital expenditure (capitalized as asset)	1,940	939	1,769	627	1,044	1,190	1,318	773	1,481	743
Depreciation	2,717	2,835	3,068	3,560	3,788	3,801	3,945	4,218	4,286	4,433
Total assets	443,973	449,643	527,537	542,920	565,022	564,528	637,326	634,974	646,847	643,949
Property-related revenues	16,500	17,132	17,807	19,805	20,716	20,795	20,758	22,112	22,135	22,283

	Mar. '12 Period	Sep. '12 Period	Mar. '13 Period	Sep. '13 Period	Mar. '14 Period	Sep. '14 Period	Mar. '15 Period	Sep. '15 Period	Mar. '16 Period	Sep. '16 Period	Mar. '17 Period
Construction costs	2,493	2,227	2,741	2,411	3,320	2,472	4,216	2,021	3,977	2,794	3,956
Repairing expenses (reported as expense)	700	764	886	866	887	733	983	881	1,101	1,181	1,113
Capital expenditure (capitalized as asset)	1,792	1,463	1,854	1,545	2,433	1,738	3,233	1,140	2,876	1,613	2,842
Depreciation	4,690	4,908	5,208	5,507	5,649	5,883	6,009	6,332	6,487	6,500	6,526
Total assets	703,085	724,851	765,628	775,066	817,130	813,931	852,679	899,938	890,626	883,633	898,306
Property-related revenues	24,059	24,222	25,357	26,206	26,582	27,760	28,314	29,980	30,428	30,773	30,784

*Property-related revenues do not include gain on sales of real estate properties, dividends earned on preferred capital contributions, gain on transfer of unused development rights of floor area nor compensation for property transfer.

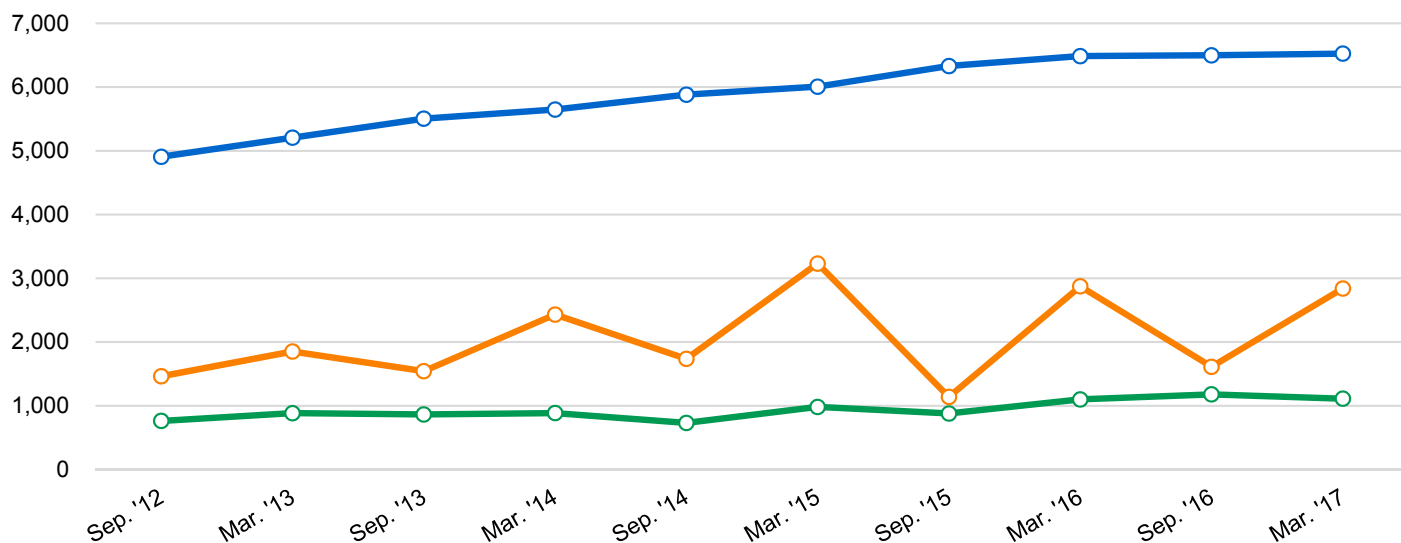
Capital Expenditure and Depreciation (Forecast)

(In billions of yen)

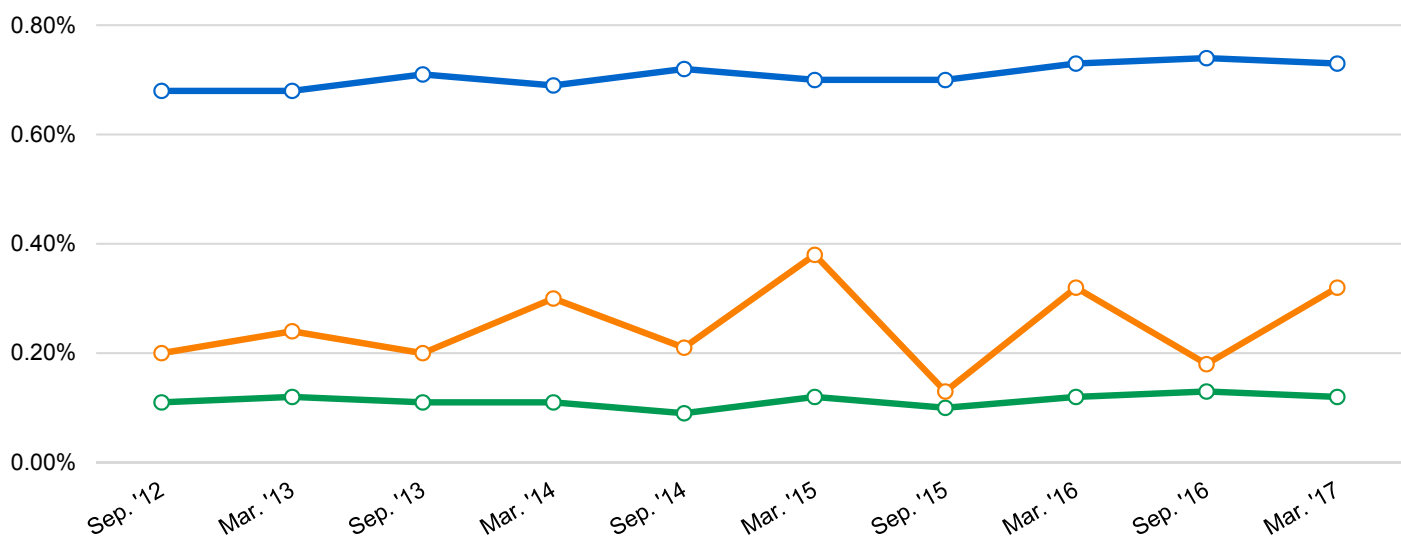
	Sep. '17 Period	Mar. '18 Period	Sep. '18 Period	Mar. '19 Period	Sep. '19 Period	Mar. '20 Period	Total
Capital expenditure	1.2	2.9	1.6	2.6	1.7	3.1	13.3
Depreciation	6.5	6.5	6.4	6.3	6.3	6.2	38.4

Repair work expenses, capital expenditure, depreciation (Actual)

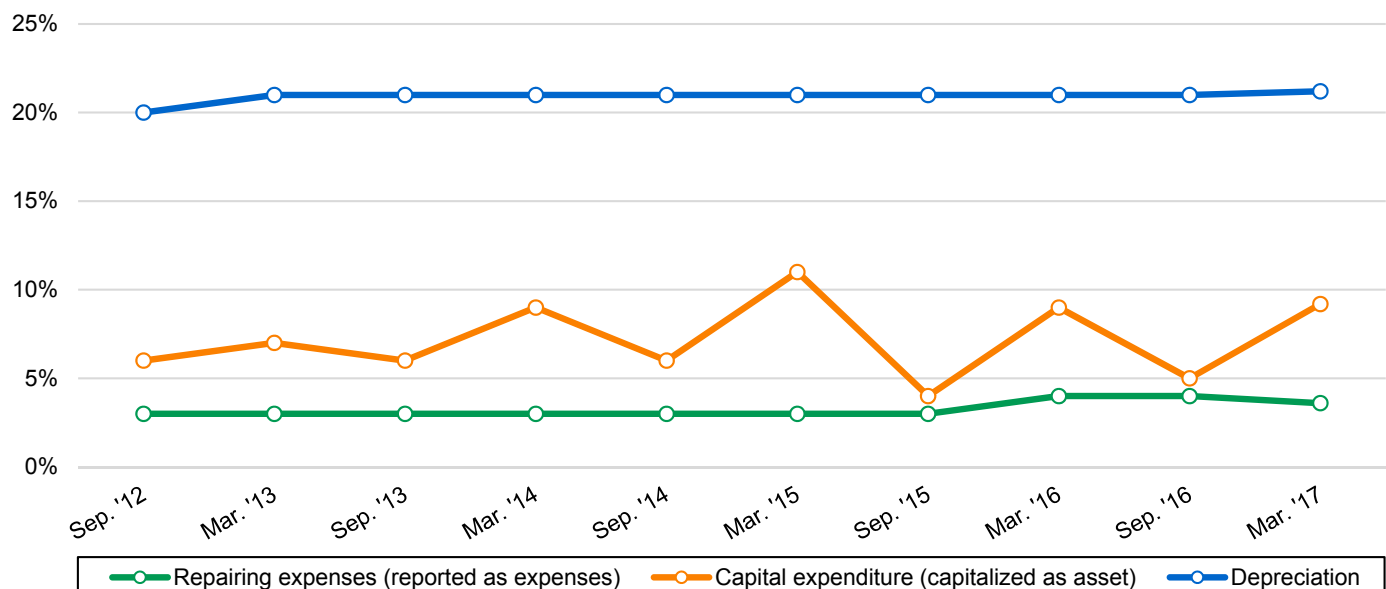
(In millions of yen)



Ratio of repair work expenses, capital expenditure, depreciation in total assets



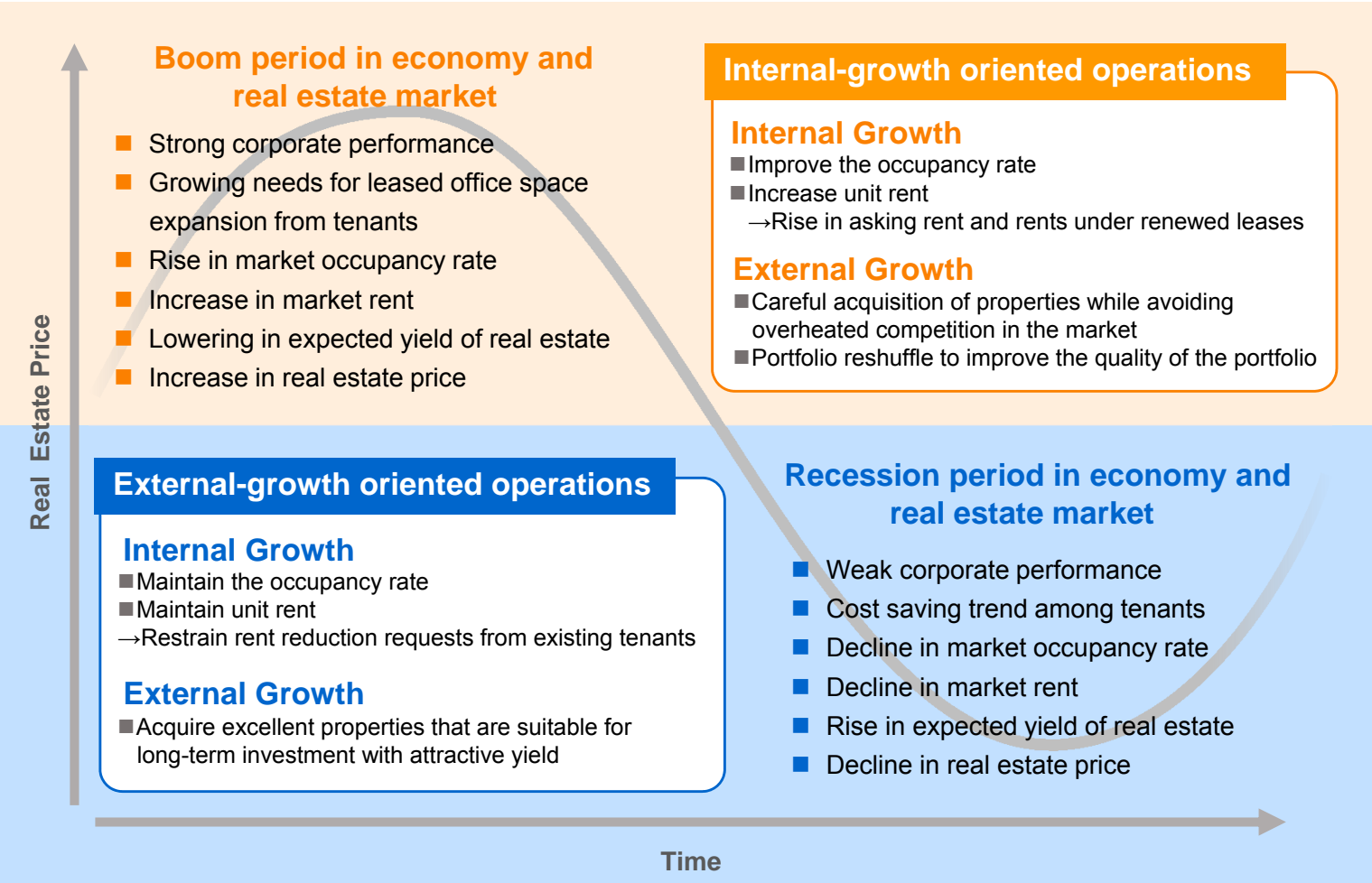
Ratio of repair work expenses, capital expenditure, depreciation in property-related revenues



—○— Repairing expenses (reported as expenses)
 —○— Capital expenditure (capitalized as asset)
 —○— Depreciation

JRE Growth Strategy

Market Environment and Growth Strategy (Image)



MEMO

External Growth

Steady external growth with a focus on quality

- **Secure steady external growth by strengthening the collaboration with two sponsors**
 - Acquire properties by negotiated transactions mainly with two sponsors
 - Work to diversify the property acquisition processes
- **Continued efforts to strengthen portfolio quality**
 - Acquire relatively new, large-scale competitive properties that generate stable revenues
 - Weigh the external environment and our financial standing in acquiring properties
 - Consider possibilities for reshuffling of assets that could strengthen the portfolio quality on a mid- to long-term basis by comprehensively examining leasing market conditions, traffic convenience, and other factors

Internal Growth

Internal growth by our continuous efforts since IPO

- **Continue to keep stable occupancy rates**
 - Strong awareness of tenant needs
 - Implement a constructive leasing strategy to meet the characteristics of each building and changes in the market
- **Enhance rental incomes**
 - Continuous efforts to rise rent levels
 - Ongoing efforts to carry out the property management cost reduction plan
- **Enhance the value of properties**
 - Conduct timely renovation work

Financial Strategy

Sustain and enhance financial soundness

- **Maintain conservative interest-bearing debt / total assets ratio and high credit ratings by strengthening the capital base**
 - Gain and maintain debtholders' trust
 - Acquire a low-cost and long-term fund raising capability
 - Secure flexibility in fundraising by limiting the covenants or other restrictive terms of financing
- **Appropriate response to interest risk**
 - Maintain conservative interest-bearing debt/ total assets ratio at approximately 30-40%
 - Lengthen the term of interest-bearing debt, stabilize the interest rate and diversify repayment dates

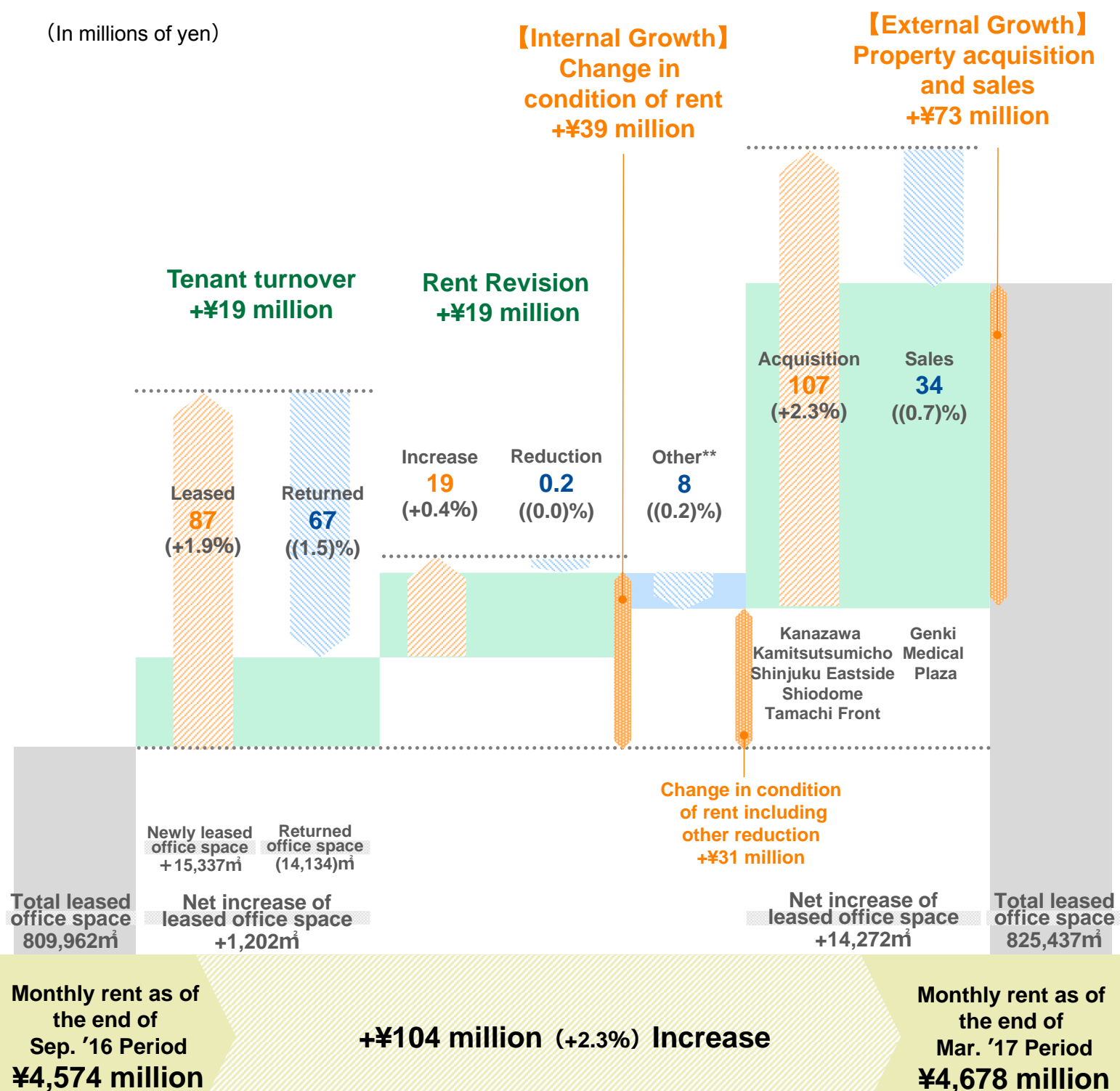
MEMO

2 Internal Growth

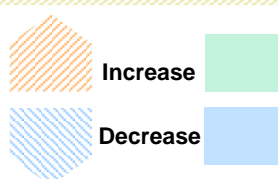
Factors in the Net Increase of Monthly Contract Rent

- Net increase of monthly contract rent (including common service charges) and the rates of net increase (%) are shown in comparison with those of the end of the previous period (prior six months).
- Data for residential portions are excluded.

(In millions of yen)



As of
the end of
Sep. '16
Period



As of
the end of
Mar. '17
Period

*The land revenue (10 million yen (monthly)) for Shinjuku South Gate Project (tentative name) (Land with leasehold interest) is not included in the monthly rent as of the end of each Period.

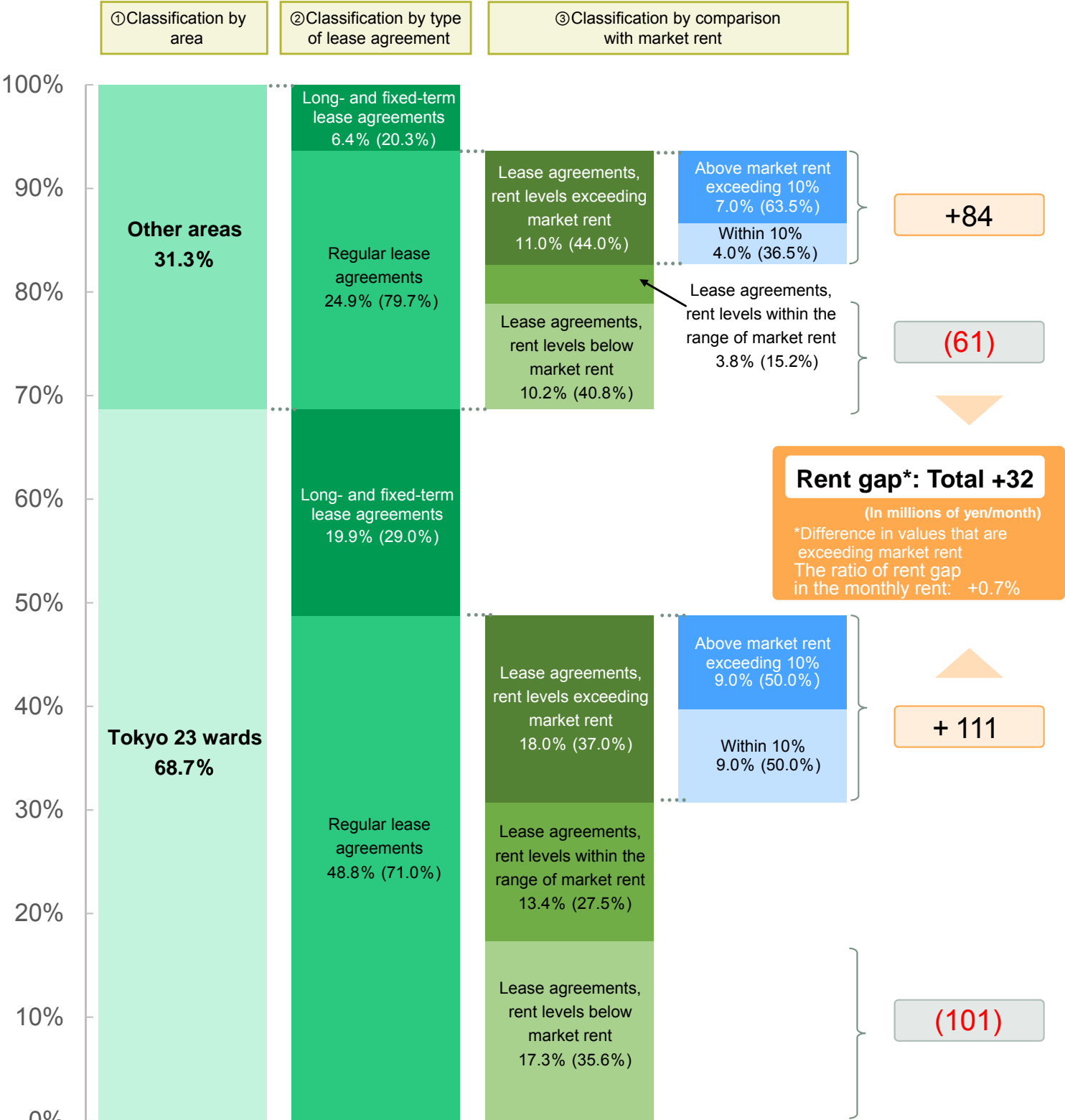
** Decrease of contract rent due to termination of Phase 2 rent which was established in order to collect owner expenditure portion of tenant joinery work costs.

Comparison of Portfolio Rent vs Market Rent

68 properties held as of March 31, 2017 * Shinjuku South Gate Project (tentative name) (Land with leasehold interest) is not included.

Monthly rent in the entire portfolio, including common service charges: **¥4,678 million**

- Percentages represent the share of monthly rent in the entire portfolio. The numbers in parenthesis show the percentage of the share classified in the previous step.
- Long- and fixed-term lease agreements are contracts in which revenues are promised for a period of one year or longer from the end of Mar. '17 Period. Regular lease agreements are contracts other than long- and fixed-term lease agreements.



* Lease agreements, rent levels within the range of market rent are contracts in which the rent level falls in the range of the upper and lower limits of the CBRE assessed rent.
At the same time, lease agreements for special purposes, such as office space in the basement and machine rooms, etc., are included in this category.

Trend of Market Rent Level

- With regard to the new rent data (Note 1) assessed by CBRE K.K. (CBRE), the trend shows the price as of December 31, 2016 set at 100.
- The assessment was made for 61 properties. 7 properties are excluded (excluding properties in unusual situations, including single-tenant leased properties) from the 68 properties (building) (Note 2) held in total by JRE as of March 31, 2017.

Area		Property Name	Trend in assessed new rent (intermediate value of upper and lower limits: index) at time of survey														
			06/03	12/03	06/04	12/04	06/05	12/05	06/06	12/06	06/07	12/07	06/08	12/08	06/09	12/09	
Tokyo 23 Wards	Chiyoda	Kitanomaru Square													95	89	
		MD Kanda	124	124	124	128	133	133	153	153	167	172	156	139	117	106	
		Kandabashi Park	109	109	109	115	120	122	151	151	166	166	156	137	117	105	
		Otemachi FCN															
		Nibancho Garden															
		Mitsubishi UFJ Trust															
		Burex Kojimachi															
		Sanno Grand				102	108	123	142	146	154	154	148	129	108	100	
		Yurakucho Denki		96	96	107	115	126	144	152	170	170	163	135	107	100	
	Chuo	Kodenmacho	104	104	104	107	114	114	121	121	154	164	157	146	132	118	
		Kyodo (Kayabacho 2Chome)															
		Burex Kyobashi															
		Ginza 1Chome															
		Ginza Sanwa					116	124	129	135	145	145	143	112	98	98	
		Ryoshin Ginza EM					135	135	141	149	157	157	149	138	119	105	
		Harumi Front															
		Harumi Center										174	174	167	148	137	
		Minato	Akasaka Park														
	Aoyama Crystal		104	102	100	106	116	127	129	139	145	145	141	127	104	94	
	Clover Shiba-koen																
	Shiodome														109	98	
	Shiba 2Chome Daimon		117	117	117	131	145	148	155	159	166	169	169	159	138	117	
	Cosmo Kanasugibashi		115	115	115	122	133	141	148	156	163	170	170	148	122	115	
	Tamachi Front																
	Shinjuku		Shinjuku Eastside														
			Shinwa				103	108	113	133	144	149	149	149	128	103	97
		Tokyo Opera City						134	147	153	157	157	153	130	106	102	
	Taito	TIX UENO															
	Shinagawa	Higashi-Gotanda 1Chome			119	132	132	135	135	142	148	148	148	135	123	110	
		Osaki Front Tower															
	Ota	Omori-Eki Higashiguchi	127	123	123	123	123	123	123	135	142	150	150	131	127	112	
	Shibuya	Yoyogi 1Chome					119	132	146	151	154	157	157	135	108	103	
		da Vinci Harajuku	124	118	118	118	118	134	134	134	134	134	134	129	105	97	
		Jingumae MS		98	96	96	98	117	123	132	132	136	132	123	96	89	
		Shibuya Cross Tower	87	87	87	98	104	118	136	136	140	140	131	115	84	80	
		Ebisu Neonato		89	91	100	107	120	130	135	141	141	133	111	85	83	
	Nakano	Harmony Tower					122	128	133	144	150	150	150	139	117	103	
	Toshima	Otsuka Higashi-Ikebukuro	104	104	96	96	96	96	96	100	117	117	122	122	117	109	
		Ikebukuro 2Chome	98	98	98	98	100	100	104	104	112	112	112	112	108	100	
		Ikebukuro YS				100	106	113	123	129	132	132	132	126	106	100	
	Other Areas	Hachioji	Hachioji First					114	114	114	114	114	118	118	114	105	100
Saitama		Saitama Urawa	96	96	83	83	100	100	109	113	117	117	117	109	91	91	
Yokohama		MM Park											127	123	107	93	
		Queen's															
Kawasaki		Kawasaki Isago	108	104	104	104	104	104	104	104	108	108	108	104	96	96	
		Musashi Kosugi STM											100	94	88	88	
Sapporo		8・3 Square Kita									93	97	97	97	93	93	
Sendai		Jozenji Park				121	124	132	132	132	134	134	134	118	111	105	
		Higashi Nibancho															
		Sendai Honma	156	150	144	144	147	156	156	156	159	159	159	144	131	125	
		AER															
Kanazawa		Kanazawa Park	96	92	92	92	92	90	102	102	102	102	100	92	85	81	
		Kanazawa Kamitsutsumicho															
Nagoya		Nishiki Park								146	146	146	142	138	129	121	
		Hirokoji Place															
		Nagoya Hirokoji	135	135	135	135	135	143	143	143	143	143	143	139	135	130	
		Nagoya Misono		150	150	150	150	159	153	153	153	153	153	147	147	141	
Kyoto		Shijo Karasuma															
Osaka		Umeda Square															
		Shin-Fujita												127	123	108	
		Sakaisujihonmachi	137	132	116	116	121	132	142	153	153	153	147	137	121	111	
		Midosuji Daiwa	133	117	113	113	121	129	154	154	158	158	154	138	113	104	
Amagasaki		Amagasaki Front															
Okayama		Lit City							93	93	93	93	93	90	90	86	
Hiroshima		NHK Hiroshima			93	93	93	96	107	107	107	111	111	111	104	100	
Fukuoka		Tosei Tenjin	105	100	95	95	95	95	100	100	105	105	105	105	95	90	
		Tenjin Crystal					104	104	108	108	108	108	104	92	84	76	
		Hinode Tenjin	104	89	81	81	81	85	93	93	93	93	93	93	85	81	

(Note 1) JRE requests CBRE to assess the new rent levels (between the range of upper and lower limits) regarding properties held by JRE on a semi-annual basis (June and December).

(Note 2) Shinjuku South Gate Project (tentative name) (Land with leasehold interest) is not included.

Trend in assessed new rent (intermediate value of upper and lower limits: index) at time of survey														Property Name	Area	
06/10	12/10	06/11	12/11	06/12	12/12	06/13	12/13	06/14	12/14	06/15	12/15	06/16	12/16			
86	84	81	81	81	84	88	91	93	95	96	98	100	100	Kitanomaru Square	Chiyoda	Tokyo 23 Wards
97	97	92	89	89	89	89	89	89	92	92	94	97	100	MD Kanda		
98	90	85	83	83	85	85	85	85	88	90	95	98	100	Kandabashi Park		
								94	94	95	97	99	100	Otemachi FCN		
														Nibancho Garden		
														Mitsubishi UFJ Trust		
														Burex Kojimachi		
92	88	88	83	83	83	83	83	85	88	92	96	98	100	Sanno Grand	Chuo	
94	93	91	87	87	87	89	89	89	91	94	96	100	100	Yurakucho Denki		
104	104	100	96	96	96	96	96	96	96	96	100	100	100	Kodenmacho		
		100	97	97	97	97	97	97	97	97	97	97	100	Kyodo (Kayabacho 2Chome)		
														Burex Kyobashi		
										100	100	100	100	Ginza 1Chome		
88	84	82	82	82	82	84	88	90	92	94	96	100	100	Ginza Sanwa		
95	95	89	86	86	86	86	89	89	92	95	97	100	100	Ryoshin Ginza EM		
														Harumi Front		
122	119	115	100	96	96	96	96	96	100	100	100	100	100	Harumi Center		
			82	82	82	84	86	88	90	92	96	98	100	Akasaka Park		
88	88	86	82	82	84	86	86	88	92	96	100	100	100	Aoyama Crystal		
										100	100	100	100	Clover Shiba-koen		
93	90	88	88	88	90	90	91	93	97	97	98	100	100	Shiodome		
100	93	93	90	90	90	90	90	90	90	90	93	97	100	Shiba 2Chome Daimon	Minato	
100	93	93	89	89	89	89	89	89	89	89	96	96	100	Cosmo Kanasugibashi		
														Tamachi Front		
									98	98	100	100	100	Shinjuku Eastside		
95	85	85	79	79	82	82	82	85	87	92	100	100	100	Shinwa		
98	98	96	89	87	87	85	87	91	94	96	98	100	100	Tokyo Opera City		
				93	93	93	93	93	95	95	100	100	100	TIX UENO		
100	97	94	87	87	87	87	87	87	87	90	94	97	100	Higashi-Gotanda 1Chome	Taito	Shinagawa
														Osaki Front Tower		
112	104	100	100	100	100	100	100	100	100	100	100	100	100	Omori-Eki Higashiguchi	Ota	Other Areas
100	95	89	86	86	86	86	86	86	89	92	95	97	100	Yoyogi 1Chome	Shibuya	
95	92	92	92	92	92	92	92	92	92	95	95	95	100	da Vinci Harajuku		
87	85	81	81	81	83	83	85	91	91	94	96	96	100	Jingumae MS		
80	80	80	76	78	80	84	87	91	95	96	98	100	100	Shibuya Cross Tower		
81	78	78	78	78	80	83	87	91	94	96	98	100	100	Ebisu Neonato		
103	97	94	92	92	92	92	92	94	94	94	97	100	100	Harmony Tower	Nakano	
109	109	100	87	87	87	87	87	87	91	96	100	100	100	Otsuka Higashi-Ikebukuro	Toshima	
100	100	100	100	100	100	100	100	100	100	100	100	100	100	Ikebukuro 2Chome		
100	94	94	94	94	94	94	94	94	94	94	97	97	100	Ikebukuro YS		
100	100	91	91	91	91	91	91	91	95	100	100	100	100	Hachioji First	Hachioji	
91	91	91	91	91	91	91	91	96	96	100	100	100	100	Saitama Urawa	Saitama	
93	93	93	90	90	90	90	90	90	90	93	97	100	100	MM Park	Yokohama	
							81	82	85	88	97	100	100	Queen's	Kawasaki	
96	96	88	75	75	75	75	79	83	88	92	96	100	100	Kawasaki Isago		
88	88	82	82	82	82	82	82	82	85	88	94	100	100	Musashi Kosugi STM		
93	93	93	90	90	90	90	90	90	90	91	93	97	100	8・3 Square Kita	Sapporo	
105	105	105	100	100	100	100	100	100	100	100	100	100	100	Jozenji Park	Sendai	
					82	82	82	86	89	95	100	100	100	Higashi Nibancho		
113	106	106	100	100	100	100	100	100	100	100	100	100	100	Sendai Honma		
											87	90	100	AER	Kanazawa	
81	81	81	81	81	81	81	81	81	81	85	92	92	100	Kanazawa Park		
													100	Kanazawa Kamitsutsumicho		
104	104	100	100	96	94	94	94	96	96	96	100	100	100	Nishiki Park	Nagoya	
							100	100	100	100	100	100	100	Hirokoji Place		
109	109	104	104	104	100	100	100	100	100	100	100	100	100	Nagoya Hirokoji		
124	124	112	112	100	100	94	94	97	97	97	100	100	100	Nagoya Misono		
							84	87	90	97	100	100	100	Shijo Karasuma	Kyoto	Osaka
										93	93	95	100	Umeda Square		
96	96	96	96	96	96	96	96	96	96	96	100	100	100	Shin-Fujita		
100	100	95	95	95	95	95	95	95	95	95	95	95	100	Sakaisujihonmachi		
104	104	104	104	104	104	96	96	96	96	96	96	96	100	Midotsuji Daiwa		
										100	100	100	100	Amagasaki Front		
86	86	86	86	86	88	88	88	88	90	91	100	100	100	Lit City		
100	100	98	98	98	98	98	98	98	98	100	100	100	100	NHK Hiroshima	Hiroshima	Fukuoka
90	90	88	88	88	88	88	88	88	88	95	100	100	100	Tosei Tenjin		
76	76	76	76	76	76	76	80	84	92	96	96	96	100	Tenjin Crystal		
81	81	81	78	78	78	78	81	83	89	93	93	96	100	Hinode Tenjin		

Assessed rent increased compared to the preceding assessment

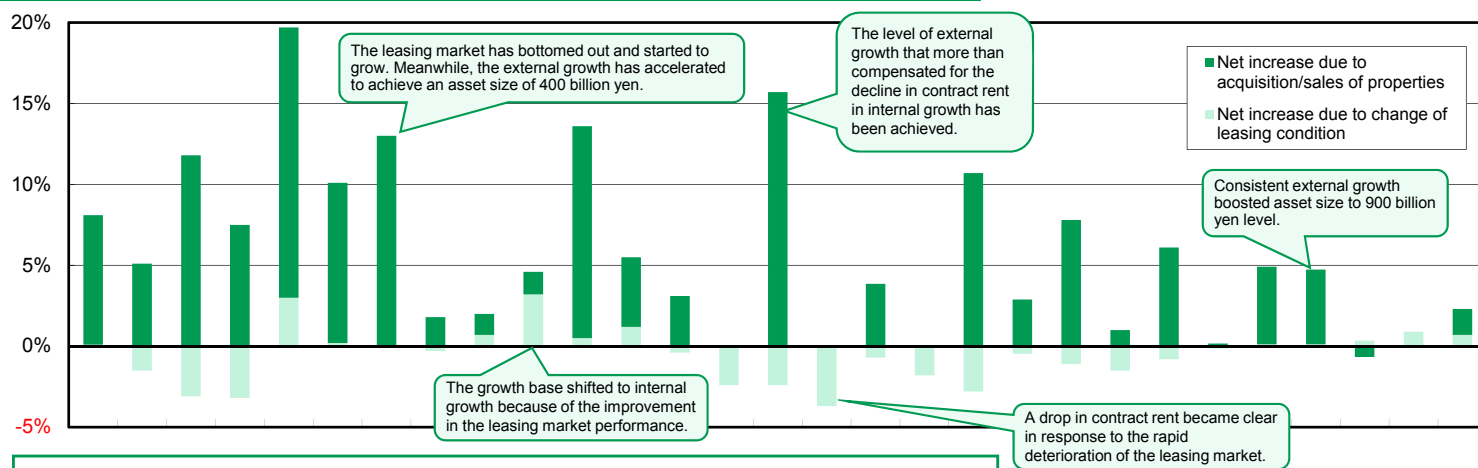
Assessed rent decreased compared to the preceding assessment

Net Increase of Monthly Contract Rent

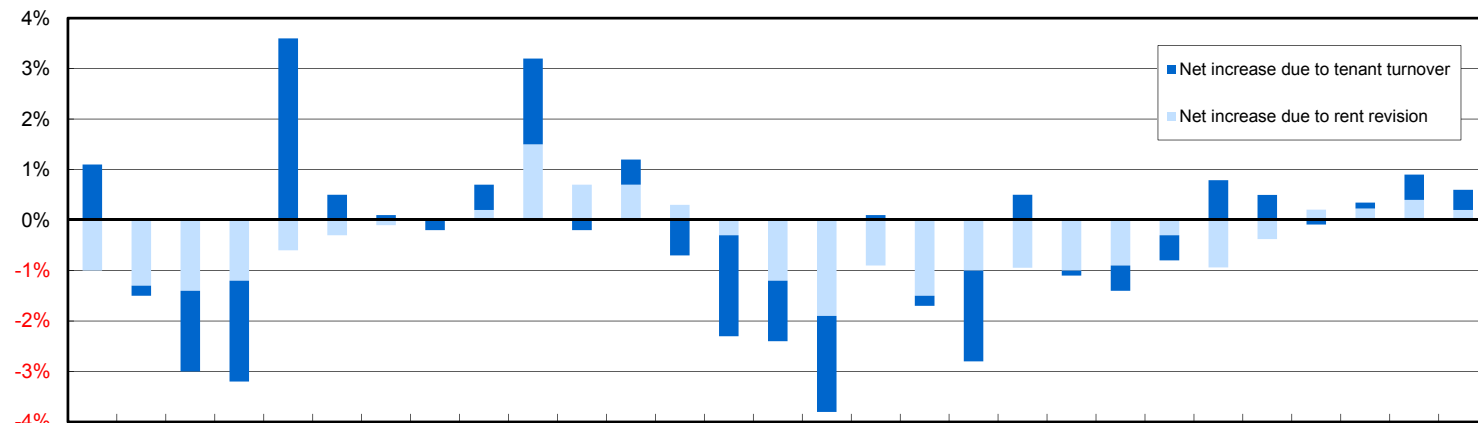
* Percentages represent the rates of net increase of rent over monthly total portfolio contract rent (including common service charges) as of the end of the previous period (prior six months). Data for residential portions are excluded.

	Mar. '10	Sep. '10	Mar. '11	Sep. '11	Mar. '12	Sep. '12	Mar. '13	Sep. '13	Mar. '14	Sep. '14	Mar. '15	Sep. '15	Mar. '16	Sep. '16	Mar. '17
Rate of net increase of rent over the end of the previous period ... I + II	13.3%	(3.7)%	3.2%	(1.8)%	7.9%	2.4%	6.6%	(0.5)%	5.3%	0.0%	4.9%	4.7%	(0.3)%	1.0%	2.3%
Net increase due to acquisition/sales of properties ... I (= ① + ②)	15.7%	0.0%	3.9%	0.0%	10.7%	2.9%	7.8%	1.0%	6.1%	0.2%	4.8%	4.6%	(0.7)%	0.0%	1.6%
Increase due to property acquisition ... ①	15.7%	0.0%	3.9%	0.0%	10.7%	2.9%	7.8%	2.0%	6.1%	0.2%	4.8%	4.6%	0.0%	0.0%	2.3%
Reduction due to property sales ... ②	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	(1.0)%	0.0%	0.0%	0.0%	0.0%	(0.7)%	0.0%	(0.7)%
Net increase due to change of leasing condition ... II (= ③ + ④)	(2.4)%	(3.7)%	(0.7)%	(1.8)%	(2.8)%	(0.5)%	(1.1)%	(1.5)%	(0.8)%	(0.1)%	0.1%	0.1%	0.3%	0.9%	0.7%
Reduction due to returned office spaces ... ③ (= a + b)	(1.2)%	(1.9)%	0.1%	(0.2)%	(1.8)%	0.5%	(0.1)%	(0.5)%	(0.5)%	0.8%	0.5%	(0.1)%	0.1%	0.5%	0.4%
Increase due to newly leased office spaces ... a	3.5%	3.9%	3.5%	6.7%	4.2%	3.4%	3.5%	2.0%	3.3%	2.8%	2.7%	1.5%	2.5%	2.5%	1.9%
Reduction due to returned office spaces ... b	(4.7)%	(5.8)%	(3.4)%	(7.0)%	(6.0)%	(3.0)%	(3.6)%	(2.5)%	(3.7)%	(2.0)%	(2.2)%	(1.6)%	(2.4)%	(1.9)%	(1.5)%
Net increase due to rent revision ... ④ (= c + d)	(1.2)%	(1.9)%	(0.9)%	(1.5)%	(1.0)%	(0.9)%	(1.0)%	(0.9)%	(0.3)%	(0.9)%	(0.4)%	0.2%	0.2%	0.4%	0.2%
Increase due to rent revision ... c	0.0%	0.0%	0.0%	0.1%	0.1%	0.0%	0.4%	0.1%	0.1%	0.1%	0.1%	0.2%	0.3%	0.4%	0.4%
Reduction due to rent revision ... d	(1.3)%	(1.9)%	(0.9)%	(1.6)%	(1.1)%	(1.0)%	(1.4)%	(1.0)%	(0.4)%	(1.1)%	(0.5)%	(0.1)%	(0.1)%	(0.0)%	(0.2)%

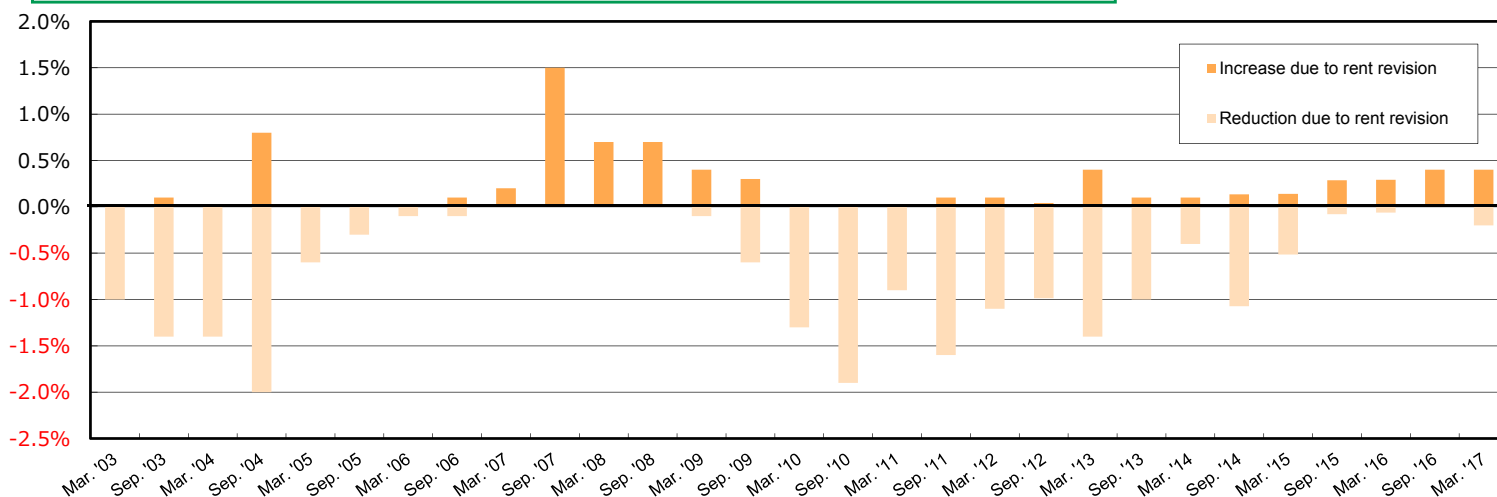
Breakdown of net increase of rent due to external growth and internal growth



Breakdown of net increase of rent due to tenant turnover and rent revision



Breakdown of net increase of rent due to rent increase revision and rent reduction revision



Trend of Rent Revision

Rent increase on revision of monthly rent

• Rent increase revision data for Sep. '05 Period or before are not listed due to insufficient samples.

(In thousands of yen-month)

	Mar. '05 Period	Sep. '05 Period	Mar. '06 Period	Sep. '06 Period	Mar. '07 Period	Sep. '07 Period	Mar. '08 Period	Sep. '08 Period	Mar. '09 Period	Sep. '09 Period	Mar. '10 Period	Sep. '10 Period
Tokyo 23 Wards			646	1,706	4,979	35,780	15,600	17,771	11,006	4,326	258	1,169
Other Areas			32	109	6	1,560	1,685	2,329	1,191	4,391	954	165
Overall			678	1,815	4,986	37,341	17,286	20,101	12,198	8,718	1,213	1,335

	Mar. '11 Period	Sep. '11 Period	Mar. '12 Period	Sep. '12 Period	Mar. '13 Period	Sep. '13 Period	Mar. '14 Period	Sep. '14 Period	Mar. '15 Period	Sep. '15 Period	Mar. '16 Period	Sep. '16 Period	Mar. '17 Period
Tokyo 23 Wards	288	1,004	443	1,319	10,004	374	888	2,616	4,258	11,413	11,209	15,851	16,083
Other Areas	588	121	1,467	184	4,935	2,809	1,741	2,976	1,503	995	2,030	3,204	3,852
Overall	876	1,125	1,911	1,503	14,940	3,184	2,630	5,593	5,761	12,409	13,239	19,056	19,935

Rent reduction on revision of monthly rent

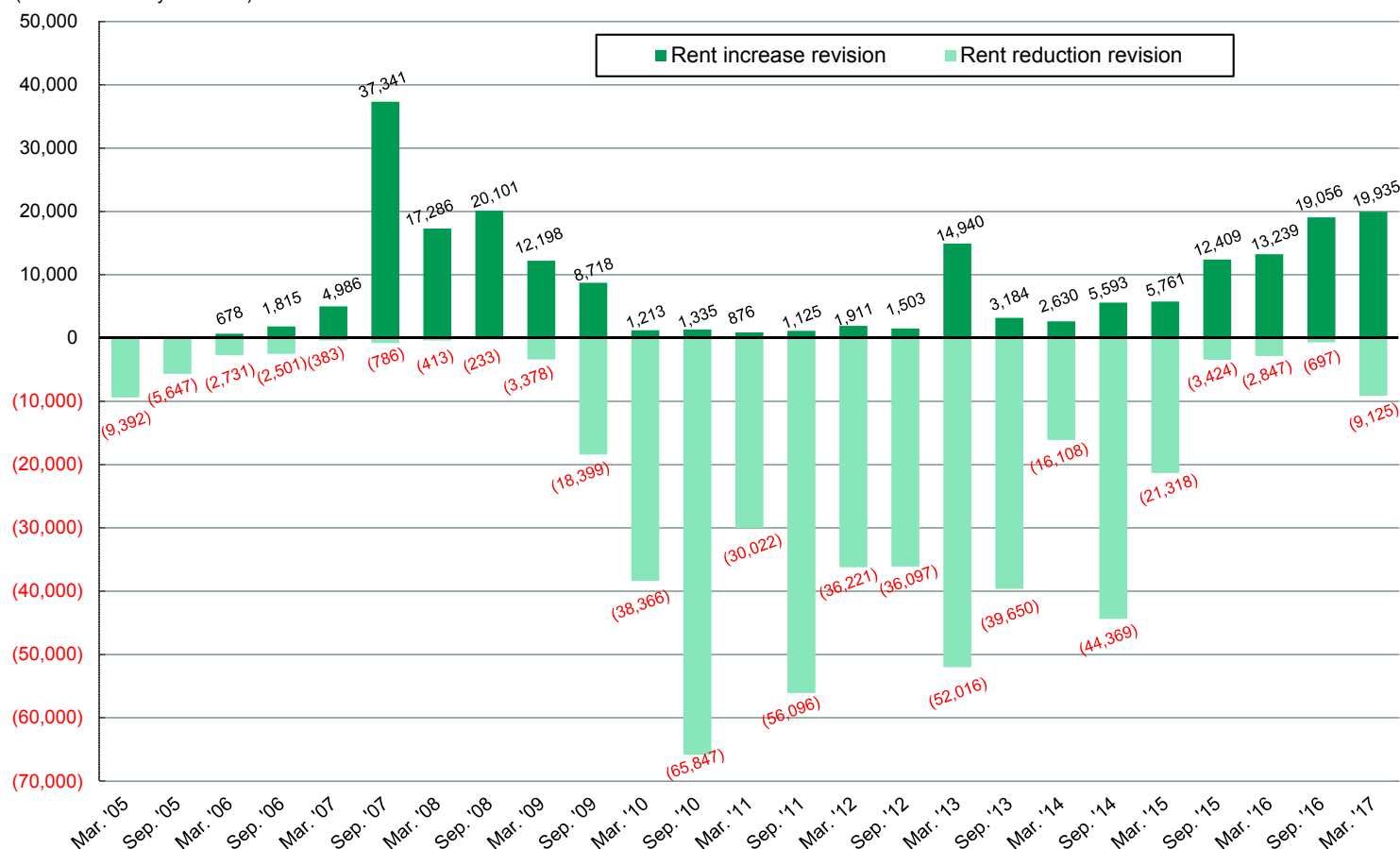
(In thousands of yen-month)

	Mar. '05 Period	Sep. '05 Period	Mar. '06 Period	Sep. '06 Period	Mar. '07 Period	Sep. '07 Period	Mar. '08 Period	Sep. '08 Period	Mar. '09 Period	Sep. '09 Period	Mar. '10 Period	Sep. '10 Period
Tokyo 23 Wards	(2,179)	(3,311)	(393)	(89)	0	(22)	(350)	(26)	(2,218)	(10,806)	(27,211)	(49,726)
Other Areas	(7,213)	(2,335)	(2,337)	(2,412)	(383)	(763)	(63)	(207)	(1,159)	(7,592)	(11,155)	(16,121)
Overall	(9,392)	(5,647)	(2,731)	(2,501)	(383)	(786)	(413)	(233)	(3,378)	(18,399)	(38,366)	(65,847)

	Mar. '11 Period	Sep. '11 Period	Mar. '12 Period	Sep. '12 Period	Mar. '13 Period	Sep. '13 Period	Mar. '14 Period	Sep. '14 Period	Mar. '15 Period	Sep. '15 Period	Mar. '16 Period	Sep. '16 Period	Mar. '17 Period
Tokyo 23 Wards	(22,157)	(44,791)	(25,312)	(31,407)	(40,836)	(18,288)	(10,405)	(42,019)	(17,784)	(535)	(145)	(169)	(8,943)
Other Areas	(7,865)	(11,304)	(10,908)	(4,689)	(11,179)	(21,362)	(5,702)	(2,350)	(3,534)	(2,888)	(2,702)	(528)	(181)
Overall	(30,022)	(56,096)	(36,221)	(36,097)	(52,016)	(39,650)	(16,108)	(44,369)	(21,318)	(3,424)	(2,847)	(697)	(9,125)

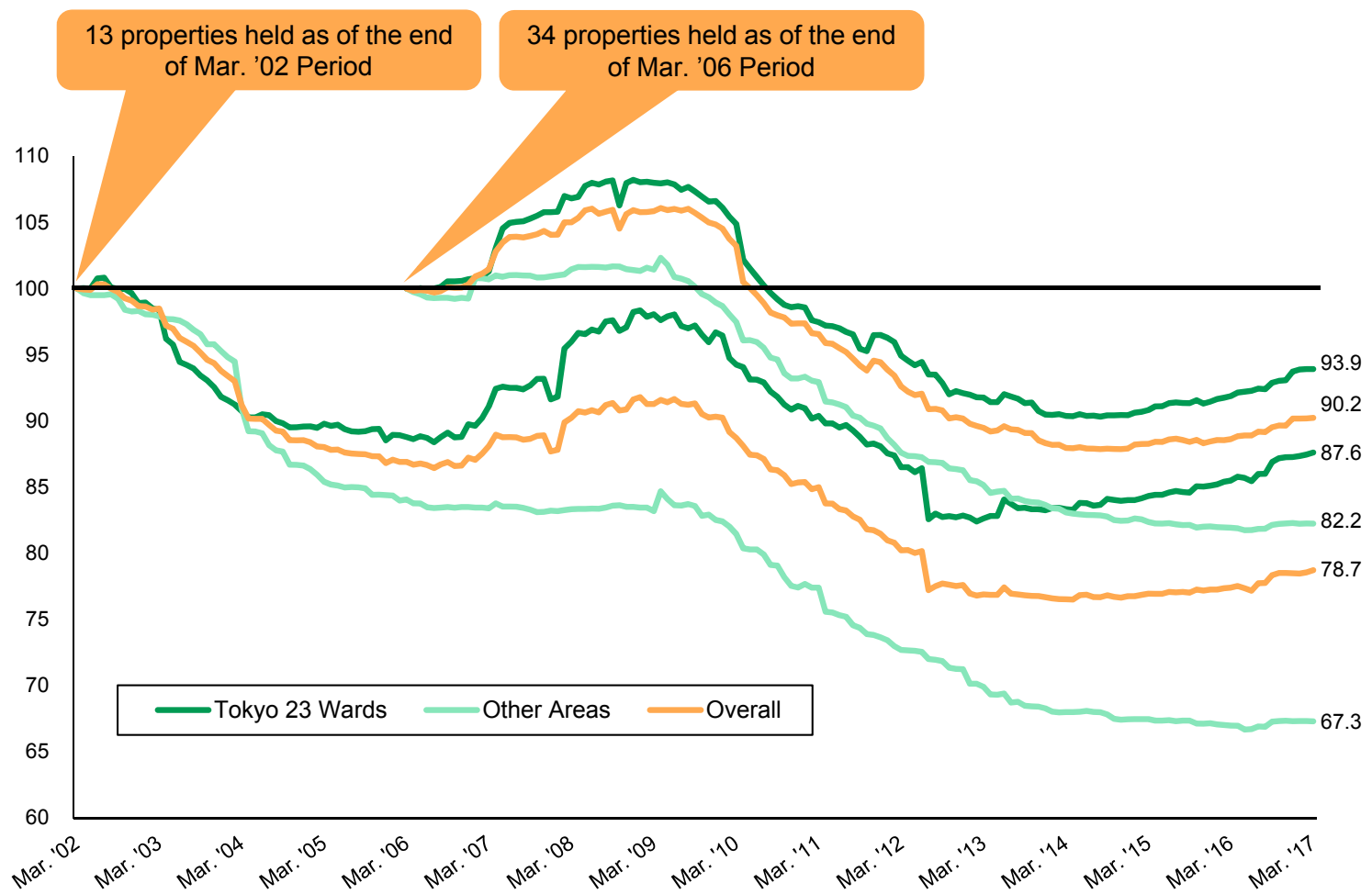
Entire portfolio / Trend of rent increase and reduction

(In thousands of yen-month)



Changes in Average Rent Level

- Comparison of JRE’s portfolio of properties with constantly held shares of ownership in which no increase or decrease (including transfer) of shares has been seen since the end of Mar. '02 and Mar. '06 Periods.
- The trend sets the average rent based on the contracts as of the end of Mar. '02 and Mar. '06 Periods (the start of trend) at 100.



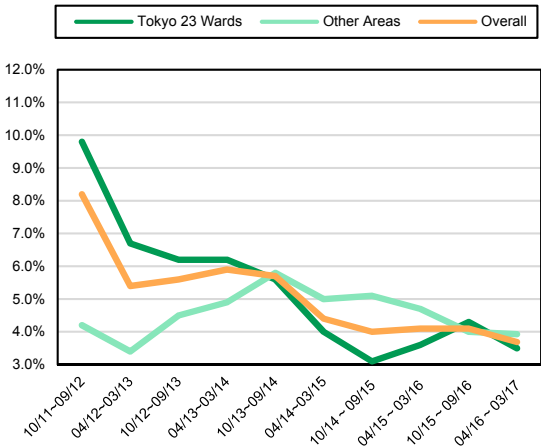
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Status of Tenant Turnover (By Area and Rent Change)

Ratio of Annual Tenant Turnover

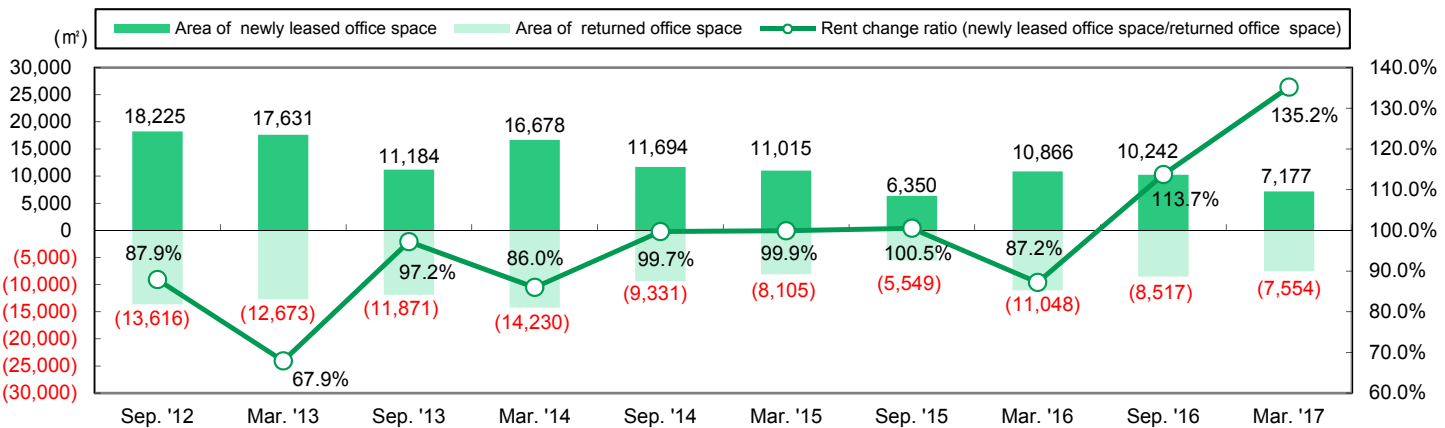
	10/11 ~ 09/12	04/12 ~ 03/13	10/12 ~ 09/13	04/13 ~ 03/14	10/13 ~ 09/14	04/14 ~ 03/15	10/14 ~ '09/15	04/15 ~ 03/16	10/15 ~ 09/16	04/16 ~ 03/17
Tokyo 23 Wards	9.8%	6.7%	6.2%	6.2%	5.6%	4.0%	3.1%	3.6%	4.3%	3.5%
Other Areas	4.2%	3.4%	4.5%	4.9%	5.8%	5.0%	5.1%	4.7%	4.0%	3.9%
Overall	8.2%	5.4%	5.6%	5.9%	5.7%	4.4%	4.0%	4.1%	4.1%	3.7%

*Ratio of Annual Tenant Turnover is calculated using the following formula:
the area for which tenants changed (the smaller of either total leased office space or returned office space during the year) /
((area of total leased office space at the end of the period + area of total leased office space at the end of the period before
the preceding period) × 1/2)

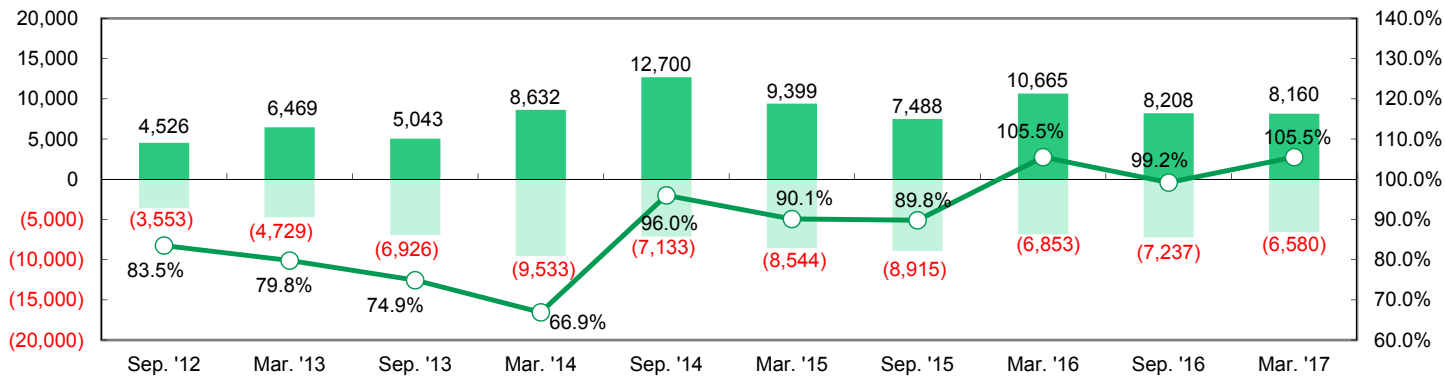


Trend in Area of Newly Leased & Returned Office Space and Rent Change Ratio

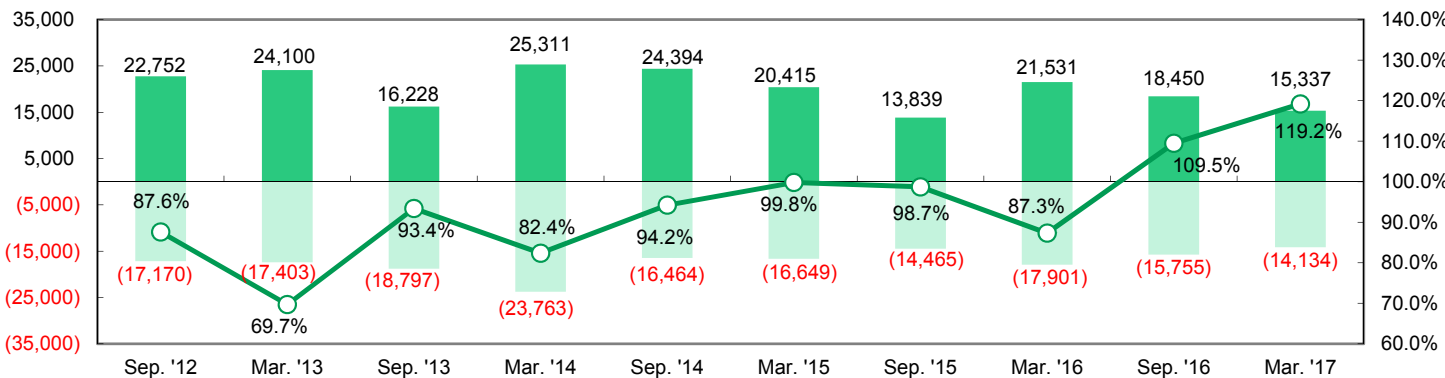
Tokyo 23 Wards



Other Areas

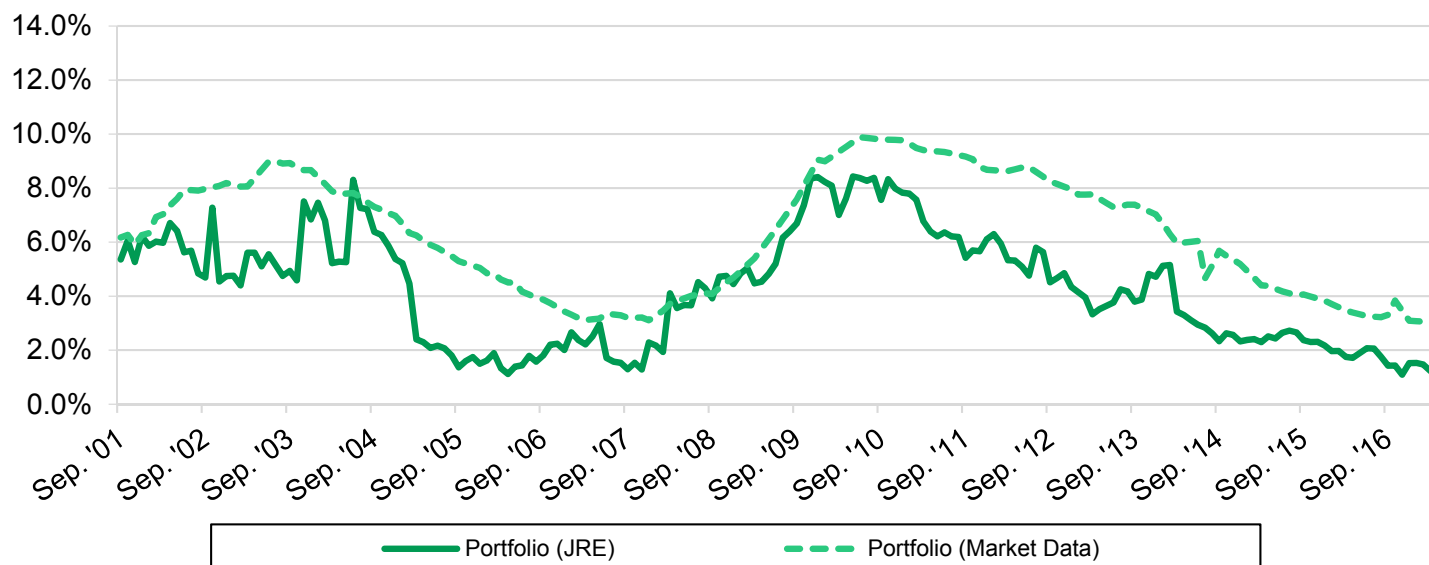


Overall

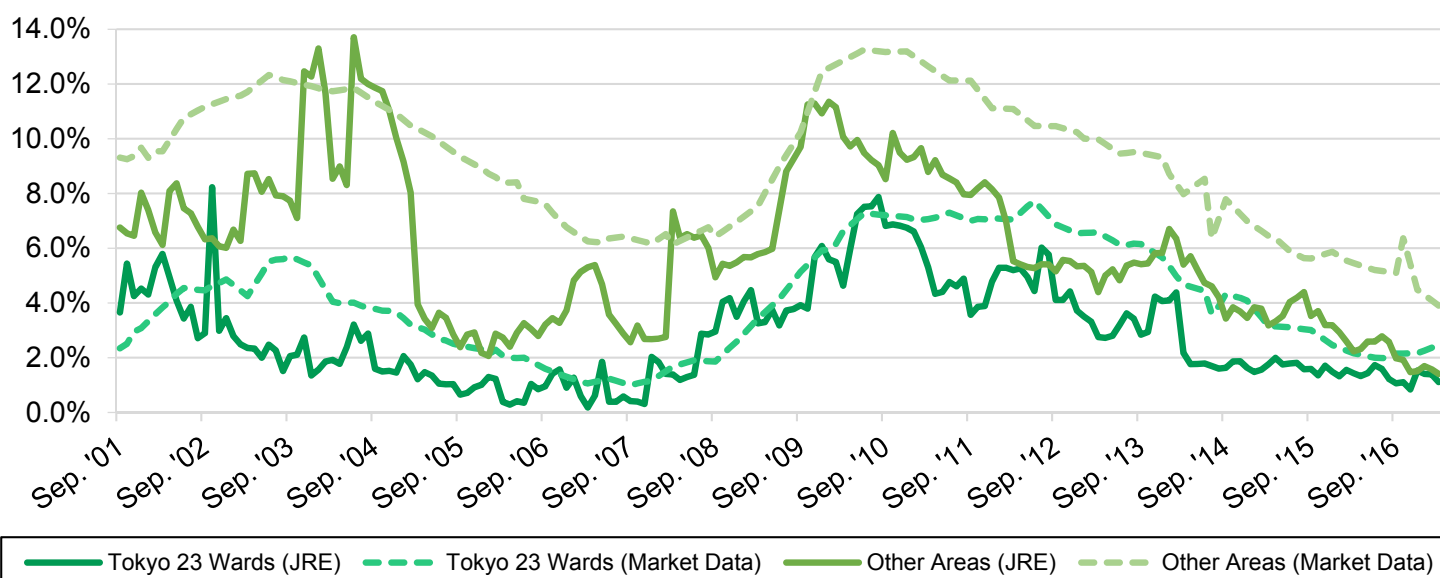


Trend in Vacancy Rate (Comparison with Market Vacancy Rate)

Overall



Tokyo 23 Wards / Other Areas



Average Vacancy Rate Computation (e.g., to compute the average rate for the following 2 properties)

Properties owned by JRE	Leasable Space (㎡)	Property Vacancy Rates	Office Areas*	Vacancy Rates of Areas*
A Building	① 5,000	④ 3.0%	Area A	⑦ 4.0%
B Building	② 3,000	⑤ 6.0%	Area B	⑧ 8.0%
Total / Average	③ 8,000	⑥ 4.1%		⑨ 5.5%

$$\textcircled{6} = (\textcircled{1} \times \textcircled{4} + \textcircled{2} \times \textcircled{5}) / \textcircled{3}$$

$$\textcircled{9} = (\textcircled{1} \times \textcircled{7} + \textcircled{2} \times \textcircled{8}) / \textcircled{3}$$

* Average vacancy rate is calculated by Japan Real Estate Asset Management Co., Ltd. using the data obtained from CBRE K.K.

* The data of CBRE K.K. reflects all office building properties in all of the researched areas until June 2011, and thereafter to December 2012 reflects office building properties with total floor area of 500 tsubo or larger. Data from January 2013 and thereafter applies new area grouping and reflects office building properties with total floor area of 1,000 tsubo or larger that is based on New Earthquake Resistance Standard.

* JRE's properties which are not located in the areas reflected in the above CBRE K.K. data are excluded from the average vacancy rate from January 2013.

Maintaining lower vacancy rate than the market

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3 External Growth

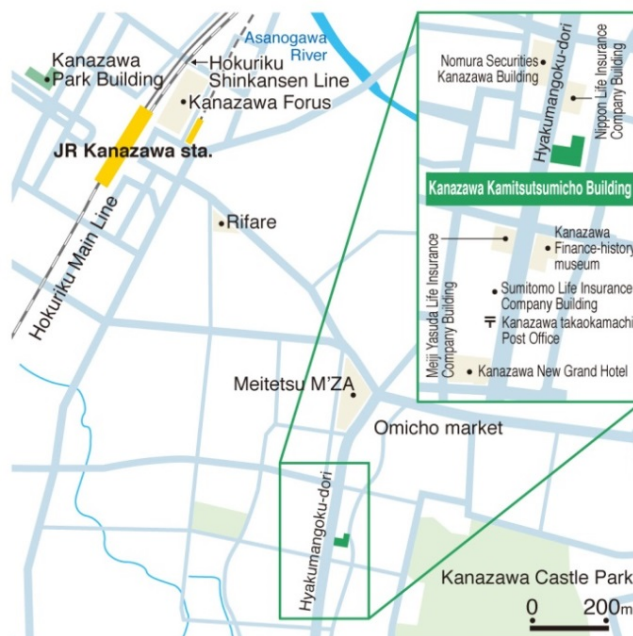
Acquisition for Mar. '17 Period (Kanazawa)

Kanazawa Kamitsutsumicho Building

<Exterior appearance>



<Map>



Property Summary (as of Acquisition date)

- | | | |
|---------------------------|--|--|
| ■ Location : | 1-15 Kamitsutsumicho, Kanazawa City, Ishikawa Prefecture | |
| ■ Area : | < Land > 1,561.80m ² | < Building > 9,619.96m ² |
| ■ Structure : | Steel structure, flat roof
Above ground : 11 floors | |
| ■ Completion date : | August 2009 | |
| ■ Type of ownership : | Real Property | Land : Ownership
Building : Ownership |
| ■ Leasable office space : | 7,206.64m ² | |
| ■ Occupancy rate : | 97.7% | |

Transaction Summary

- Seller : Shimizu Corporation
- Acquisition price : ¥ 2,780 million
- Appraisal value : ¥ 2,960 million
(as of September 1, 2016)
- Acquisition date : October 3, 2016

Estimation of NOI and Depreciation

(Estimated under ordinary state occupancy)

- < Estimated NOI > **¥ 178 million per year**
- < Estimated Depreciation > **¥ 90 million per year**

Shinjuku Eastside Square

<Map>



<Exterior appearance>



Property Summary (as of Acquisition date)

- Location : 27-30, 6 Chome, Shinjuku, Shinjuku-ku, Tokyo
- Area : < Land > 25,320.28㎡ < Building > 167,245.46㎡
- Structure : Steel-framed, reinforced concrete structure, flat roof
Above ground : 20 floors Below ground : 2 floors
- Completion date : March 2012
- Type of ownership : Trust beneficiary right in trust of domestic property (Acquisition of trust beneficiary right in trust of a 3.6% co-ownership of the property)
Land : Ownership
Building : Ownership
* An additional trust of 14% of co-ownership acquired as of October 1, 2014 is scheduled to be executed. As a result, JRE will own trust beneficiary right in trust with a 17.6% co-ownership of the property.
- Leasable office space : 4,208㎡
- Occupancy rate : 100.0%

Transaction Summary

- Seller : Mitsubishi Estate Co., Ltd.
- Acquisition price : ¥ 6,660 million
- Appraisal value : ¥ 6,660 million
(as of November 1, 2016)
- Acquisition date : January 25, 2017

Estimation of NOI and Depreciation

(Estimated under ordinary state occupancy)

< Estimated NOI > ¥ 288 million per year

< Estimated Depreciation > ¥ 61 million per year

Genki Medical Plaza

<Exterior appearance>



Property Summary (as of Transferred date)

- Location : 6-5,3 Chome, Iidabashi, Chiyoda-ku, Tokyo
- Area : < Land > 1,052.80㎡
< Building > 6,722.02㎡
- Structure : Steel-framed reinforced concrete structure, flat roof
Above ground : 8 floors Below ground : 1 floor
- Completion date : September 1985
- Occupancy rate : 100.0%

Transaction Summary

- Transferee : Mitsubishi Estate Co., Ltd.
- Transfer price : ¥ 6,890 million
- Book value at the point of transfer : ¥ 4,776 million
- Appraisal value : ¥ 6,890 million
(as of November 1, 2016)
- Date of transfer : January 25, 2017
- Price at the point of acquisition : ¥ 5,000 million

Succeeded to transfer a 31 yr old building in exchange for a 5 yr old building with cooperation from the Sponsor in order to further enhance the quality of its portfolio

Summary of the Exchange

- Counterparty of exchange transaction : Mitsubishi Estate Co., Ltd.
- Delivery date : January 25, 2017
- Advanced depreciation accounting : Advanced depreciation accounting (¥2,010 million) out of the capital gain of Genki Medical Plaza is made and deducted from the acquisition price of Shinjuku Eastside Square
- Effects of exchange : ¥33 million of gain from exchange differentials is recorded at the closing of accounts for the fiscal period ending March 2017

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Acquisition for Mar. '17 Period (Tokyo 3 Central Wards)

Tamachi Front Building

<Exterior appearance>



<Map>



Property Summary (as of Acquisition date)	
■ Location :	13-2, 4 Chome, Shiba, Minato-ku, Tokyo
■ Area :	< Land > 747.31m ² < Building > 5,747.80m ²
■ Structure :	Steel-framed, steel-framed reinforced concrete structure, flat roof Above ground: 9 floors Below ground: 1 floor
■ Completion date :	July 2014
■ Type of ownership :	Real Property Land : Ownership Building : Ownership
■ Leasable office space :	3,792m ²
■ Occupancy rate :	100.0%

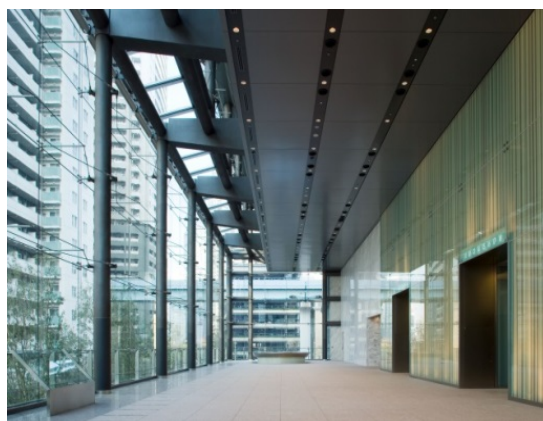
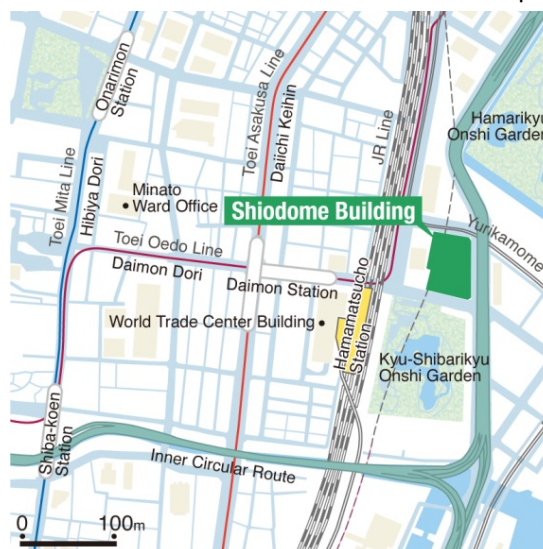
Transaction Summary	Estimation of NOI and Depreciation
■ Seller : Shiba Yon Development Specific Purpose Co. (TMK)	(Estimated under ordinary state occupancy)
■ Acquisition price : ¥ 6,210 million	< Estimated NOI > ¥ 242 million per year
■ Appraisal value : ¥ 6,330 million (as of February 1, 2017)	< Estimated Depreciation > ¥ 63 million per year
■ Acquisition date : March 30, 2017	

Shiodome Building

<Exterior appearance>



<Map>



Property Summary (as of Acquisition date)

■ Location :	2-20, 1 Chome, Kaigan, Minato-ku, Tokyo
■ Area :	< Land > 12,054.22㎡ < Building > 115,930.83㎡ (Note) A part of the land has a compartmentalized surface right created to protect railroad structures and to build a subway facilities.
■ Structure :	Steel-framed, steel-framed reinforced concrete structure, flat roof Above ground: 24 floors Below ground: 2 floors
■ Completion date :	December 2007
■ Type of ownership :	Trust beneficiary right in trust of domestic property (5% of quasi-co-ownership from the additional acquisition) Real Property Land : Ownership Building : Ownership *Change of quasi-co-ownership : 45.0% → 50.0%
■ Leasable office space :	4,019㎡ (for additional share (5.0%)) *Total leasable office space owned by JRE : 40,194㎡ (After additional acquisition)
■ Occupancy rate :	100.0%

Transaction Summary

■ Seller :	Mitsui & Co. Real Estate Ltd.
■ Acquisition price :	¥ 10,450 million
■ Appraisal value :	¥ 10,800 million (as of February 1, 2017)
■ Acquisition date :	March 30, 2017

Estimation of NOI and Depreciation

(Estimated under ordinary state occupancy)

< Estimated NOI > **¥ 378 million per year**

< Estimated Depreciation > **¥ 89 million per year**

External Growth (Consideration of Property Acquisitions)

Performance of Property Acquisitions and Sales

(In millions of yen)

	At IPO ~09/01	Mar. '02 Period 10/01~03/02	Sep. '02 Period 04/02~09/02	Mar. '03 Period 10/02~03/03	Sep. '03 Period 04/03~09/03	Mar. '04 Period 10/03~03/04	Sep. '04 Period 04/04~09/04	Mar. '05 Period 10/04~03/05	Sep. '05 Period 04/05~09/05	Mar. '06 Period 10/05~03/06	Sep. '06 Period 04/06~09/06
Acquisition	92,845	51,852	19,580	19,265	9,065	25,830	21,390	50,683	36,050	86,205	12,630
Sales	-	-	-	-	-	-	-	-	-	-	7,003

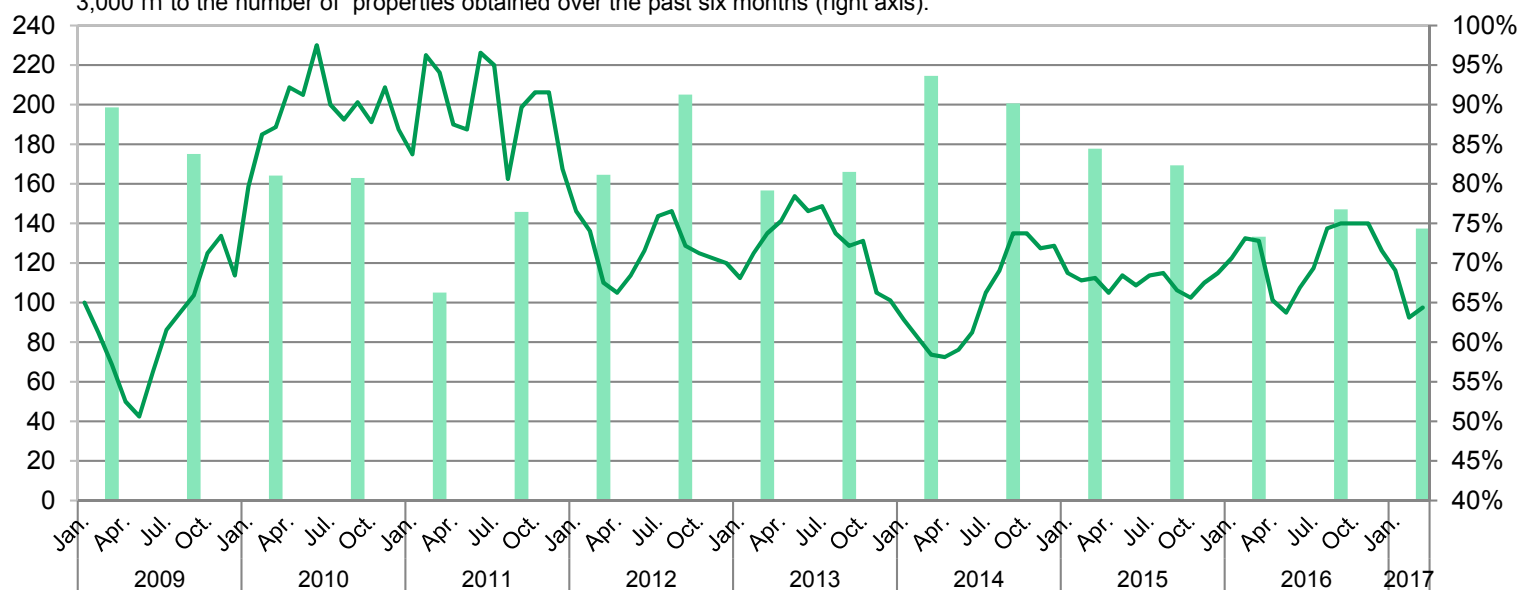
	Mar. '07 Period 10/06~03/07	Sep. '07 Period 04/07~09/07	Mar. '08 Period 10/07~03/08	Sep. '08 Period 04/08~09/08	Mar. '09 Period 10/08~03/09	Sep. '09 Period 04/09~09/09	Mar. '10 Period 10/09~03/10	Sep. '10 Period 04/10~09/10	Mar. '11 Period 10/10~03/11	Sep. '11 Period 04/11~09/11	Mar. '12 Period 10/11~03/12
Acquisition	49,850	7,100	72,029	24,000	21,250	-	77,026	2,645	16,710	-	60,800
Sales	41,900	1,770	-	-	-	-	1,507	-	-	3,160	-

	Sep. '12 Period 04/12~09/12	Mar. '13 Period 10/12~03/13	Sep. '13 Period 04/13~09/13	Mar. '14 Period 10/13~03/14	Sep. '14 Period 04/14~09/14	Mar. '15 Period 10/14~03/15	Sep. '15 Period 04/15~09/15	Mar. '16 Period 10/15~03/16	Sep. '16 Period 04/16~09/16	Mar. '17 Period 10/16~03/17	TOTAL
Acquisition	22,000	41,770	12,967	43,174	650	45,459	44,263	-	175	26,100	993,367
Sales	-	-	1,220	-	-	-	-	4,366	-	6,890	67,816

Trend of Property Information

Constantly acquire the information of properties for sales as much as possible despite the intensification of investment market for real estate.

- Line graph is based on an index calculated by obtaining the moving average for the amount of property-related information obtained over the past six months and assigning that moving average as of January 2009 as 100 (left axis).
- Bar graph shows property-related information at the end of periods regarding a ratio of the number of properties with floor area over 3,000 m² to the number of properties obtained over the past six months (right axis).



Area	Sep. '15 Period							Mar. '16 Period							Total	%
	Apr.	May	Jun.	Jul.	Aug.	Sep.	Total	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Total		
Tokyo Metropolitan Area	9	12	11	11	8	12	63	9	18	13	13	16	9	78	141	74.2%
Other Major Cities	5	6	3	3	5	0	22	2	6	5	7	5	2	27	49	25.8%
Total	14	18	14	14	13	12	85	11	24	18	20	21	11	105	190	100.0%

Area	Sep. '16 Period							Mar. '17 Period							Total	%
	Apr.	May	Jun.	Jul.	Aug.	Sep.	Total	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Total		
Tokyo Metropolitan Area	10	10	15	16	19	10	80	10	6	12	13	5	10	56	136	71.6%
Other Major Cities	0	3	9	6	10	4	32	0	7	1	1	5	8	22	54	28.4%
Total	10	13	24	22	29	14	112	10	13	13	14	10	18	78	190	100.0%

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Steady acquisition of good performing properties by utilization of
the extensive pipelines
of the sponsors

Acquisition from sponsors, etc. / through sponsors' introduction

Negotiated Transactions
from sponsors, etc. (*1)

43 deals (*2)

¥435,719 million



Harumi Front



Akasaka Park Building

Sponsors' introductions
(Negotiated Transactions)

13 deals

¥94,687 million

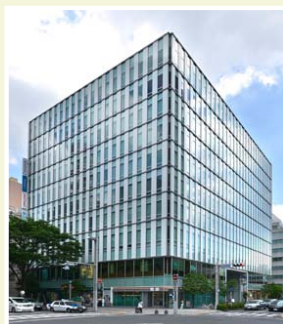


Shiodome Building
(The share acquired in December 2008)

Negotiated Transactions from others

33 deals (*2)

¥212,877 million



Nagoya Hirokoji Place

The acquisition through
negotiated transaction
against total acquisition is:

74.8%

* Acquisition Price Basis

Acquisition through negotiated transactions

(As of March 31, 2017)

Type of transaction	Number of deals		Amount (In billions of yen)	
Negotiated Transactions	89	(86.4%)	743	(74.8%)
Acquisition from sponsors, etc.	43	(41.7%)	435	(43.9%)
Acquisition through sponsors' introduction	13	(12.6%)	94	(9.5%)
Others	33	(32.0%)	212	(21.4%)
Tender Transactions	14	(13.6%)	250	(25.2%)
Acquisition from sponsors, etc.	4	(3.9%)	61	(6.2%)
Acquisition through sponsors' introduction	2	(1.9%)	116	(11.7%)
Others	8	(7.8%)	72	(7.3%)
Total	103	(100.0%)	993	(100.0%)

Tender Transactions
from sponsors, etc. (*1)

4 deals

¥61,250 million



MM Park Building

Sponsors' introduction
(Tender Transactions)

2 deals

¥116,155 million



Kitanomaru Square

The acquisition from
sponsors / through
sponsors' introduction
against total acquisition is:

71.3%

* Acquisition Price Basis

Acquisition / Introduction
by parties other than sponsors

8 deals

¥72,678 million

Umeda Square Building
A E R

Acquisition through tender transactions

(*1) Acquisition from sponsors, etc. includes those from 1) the sponsor (two entities which are current sponsors and past sponsors, Tokio Marine & Nichido Fire Insurance Co., Ltd. and The Dai-ichi Life Insurance Company, Limited), and 2) SPC in which the sponsor has a 50% or larger equity investment (including acquisition of a trust property in the trust beneficiary right in trust of real estate owned by SPC).

(*2) The additional shares of Saitama Urawa Building and Kanazawa Park Building and the share of Otemachi Financial City North Tower were acquired from the sponsors and unrelated companies, respectively, on the same date. Therefore, these deals were counted as two transactions, one sponsor-related and one sponsor-unrelated transaction.

External Growth (Acquisition Criteria)

Geographic Diversification

70% or over:
in the Tokyo metropolitan area
30% or below:
in Osaka, Nagoya,
and other major local cities

70% or over
is in the Tokyo
metropolitan area

30% or below
is in other
major
local cities



Structure

Adaptation to new earthquake-resistance standards (Earthquake Resistant Design Standard under Building Standard Law enforced in 1981) or equivalent structure/strength

Adaptation to new
earthquake-resistance
standards



Size of Property

Total floor area:
3,000m² or over

40 large-sized buildings
each have total floor
area of 10,000m² or over

Acquire properties with
total floor area of
3,000m² or over



JRE aims to maintain and improve the quality of the portfolio by acquiring only excellent properties that satisfy the above criteria

4 Financial Strategies

Summary of Debts at the End of Mar. '17 Period

As of the end of March 2017

Total interest-bearing debt ¥369,000 million

Long-term fixed interest-bearing debt ratio 90.2%

Weighted average interest rate 0.71%

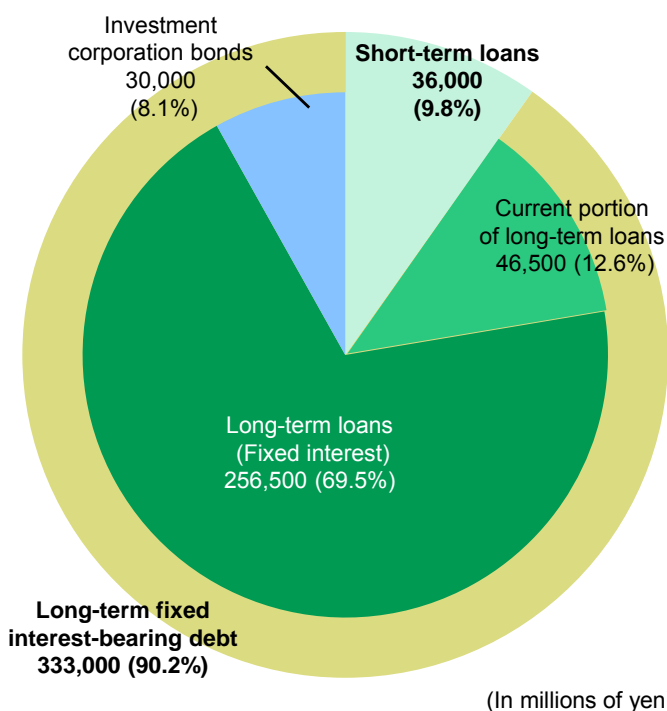
Average maturity of total interest-bearing debt 3.88 years

Breakdown of short-term and long-term debt

(In millions of yen)

Short-term loans	36,000
Current portion of long-term loans	46,500
Long-term loans (Fixed interest)	256,500
Total amount of loans	339,000
Investment corporation bonds	30,000
Total amount of investment corporation bonds	30,000

	Average interest rate	Average Maturity (year)
Short-term loans	0.07%	0.59
Current portion of long-term loans, investment corporation bonds	0.96%	0.46
Long-term loans, investment corporation bonds	0.75%	4.85



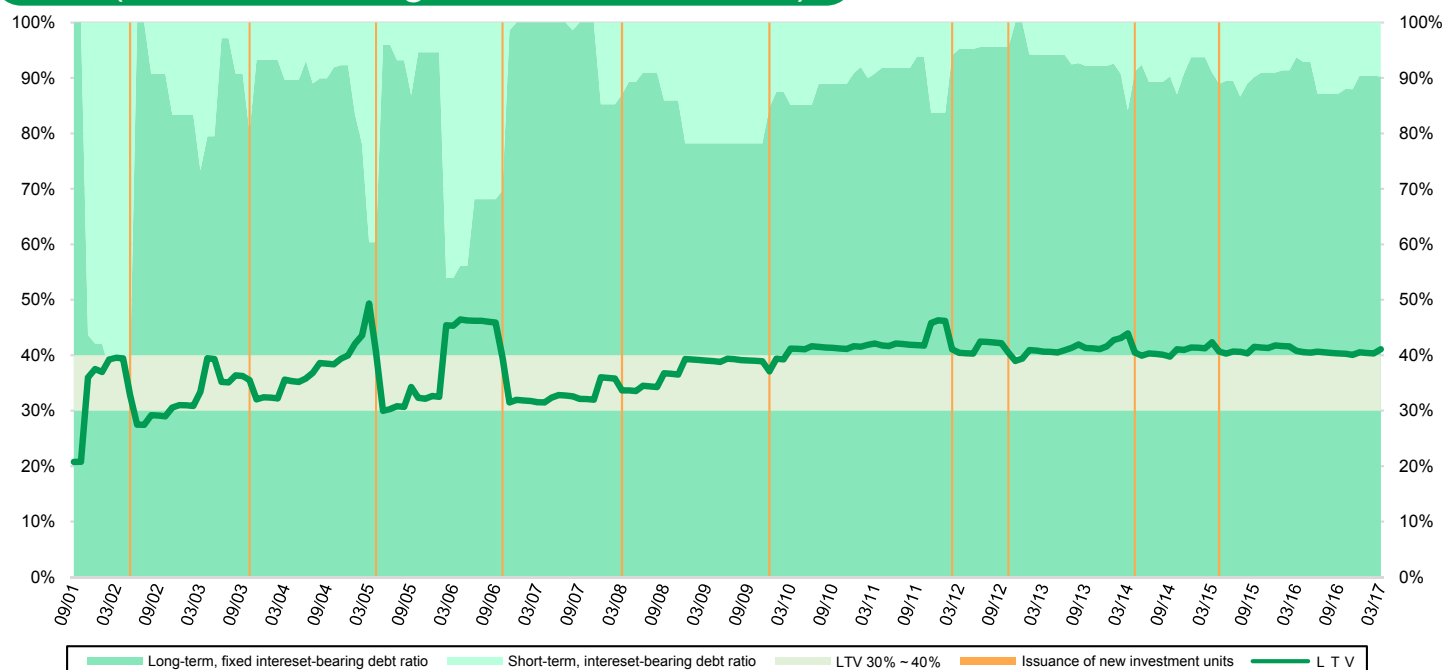
Outstanding balance of loans by financial institutions

(In millions of yen)

Mitsubishi UFJ Trust and Banking Corporation	57,000
Mizuho Bank, Ltd.	47,000
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	47,000
Sumitomo Mitsui Trust Bank, Limited	36,000
Development Bank of Japan Inc.	20,000
Shinkin Central Bank	18,000
The Bank of Fukuoka, Ltd.	10,000
The Norinchukin Bank	10,000
Shinsei Bank, Limited	10,000
The Iyo Bank, Ltd.	6,500
The Chugoku Bank, Limited	6,000
Resona Bank, Limited	6,000
Taiyo Life Insurance Company	5,500
Sumitomo Mitsui Banking Corporation	5,000
The Hachijuni Bank, Ltd.	4,000
The Hiroshima Bank, Ltd.	3,000
Mizuho Trust & Banking Co., Ltd.	3,000
The Yamaguchi Bank, Ltd.	3,000
The Gunma Bank, Ltd.	2,000
Nippon Life Insurance Company	2,000
The Nishi-Nippon City Bank, Ltd.	2,000
The Yamanashi Chuo Bank, Ltd.	2,000
The Daishi Bank, Ltd.	1,500
The Ashikaga Bank, Ltd.	1,000
The Joyo Bank, Ltd.	1,000
The 77 Bank, Ltd.	1,000
The first General syndication loan	13,000
The second General syndication loan	10,000
The third General syndication loan	6,500

LTV / Debt Capacity / Diversification of Repayment Dates

LTV (Interest-bearing Debt / Total Assets)



* LTV(%) = Interest-bearing debt / Total assets x 100

* Long-term, fixed interest-bearing debt ratio = (Long-term, fixed-interest loans + Investment corporation bonds [including current portion of Long-term, fixed-interest loans and Investment corporation bonds]) / Total interest-bearing debt

Rating

S & P	Moody's	R & I
A+ Stable	A1 Stable	AA Stable

Debt Capacity

(As of the end of March 2017)

(In millions of yen)

Total assets	Interest-bearing debt	LTV	Debt Capacity	
898,306	369,000	41.1%	Up to LTV45%	64,069
			Up to LTV40%	(16,128)

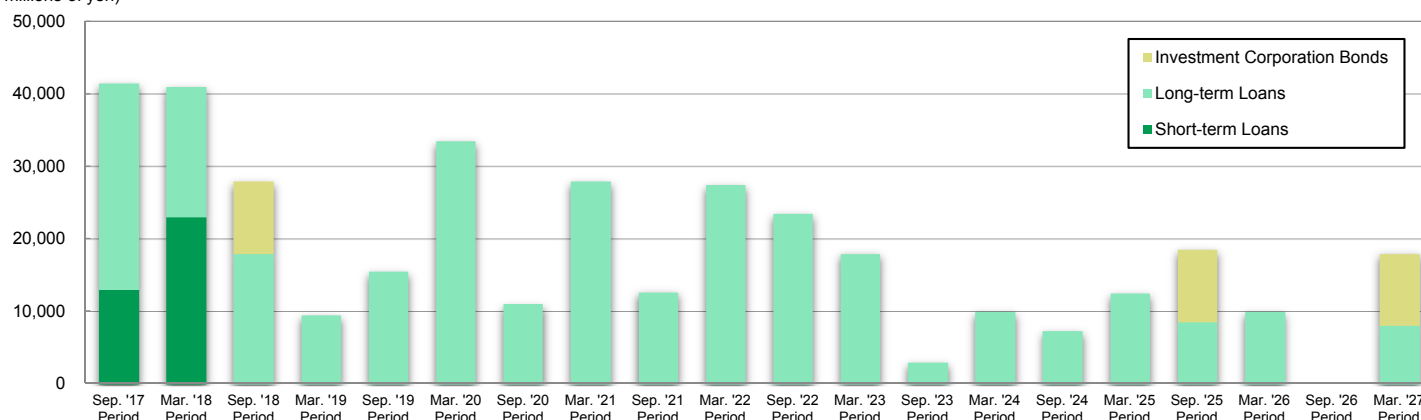
Diversification of Repayment Dates

(As of the end of March 2017)

(In millions of yen)

	04/17-03/18 (Within 1 year)	04/18-03/19 (Within 2 years)	04/19-03/20 (Within 3 years)	04/20-03/21 (Within 4 years)	04/21-03/22 (Within 5 years)	04/22-03/23 (Within 6 years)	04/23-03/24 (Within 7 years)	04/24-03/25 (Within 8 years)	04/25-03/26 (Within 9 years)	04/26-03/27 (Within 10 years)	Total
Short-term Loans	36,000	-	-	-	-	-	-	-	-	-	36,000
Long-term Loans	46,500	27,500	49,000	39,000	40,200	41,500	13,000	19,800	18,500	8,000	303,000
Investment Corporation Bonds	-	10,000	-	-	-	-	-	-	10,000	10,000	30,000
Total	82,500	37,500	49,000	39,000	40,200	41,500	13,000	19,800	28,500	18,000	369,000

(In millions of yen)



Overview of the Interest-bearing Debt at the End of Mar. '17 Period

Overview of the Interest-bearing Debt

	Lender	Drawdown date	EOB	Interest	Repayment date (period)	
Short-term Loans	Mizuho Bank, Ltd.	04/01/16	5,500	0.07	04/03/17	1 year
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	04/01/16	3,500	0.07	04/03/17	1 year
	Shinsei Bank, Limited	09/01/16	2,000	0.07	09/01/17	1 year
	Shinkin Central Bank	09/01/16	1,000	0.07	09/01/17	1 year
	Resona Bank, Limited	09/01/16	1,000	0.07	09/01/17	1 year
	Mitsubishi UFJ Trust and Banking Corporation	12/26/16	5,000	0.07	12/26/17	1 year
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	12/26/16	5,000	0.07	12/26/17	1 year
	Sumitomo Mitsui Trust Bank, Limited	12/26/16	1,300	0.07	12/26/17	1 year
	The 77 Bank, Ltd.	01/10/17	1,000	0.07	01/10/18	1 year
	Resona Bank, Limited	03/01/17	2,000	0.07	03/01/18	1 year
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	03/02/17	1,500	0.07	03/02/18	1 year
	Mizuho Bank, Ltd.	03/27/17	5,500	0.07	03/27/18	1 year
	Sumitomo Mitsui Trust Bank, Limited	03/31/17	1,700	0.07	03/30/18	1 year
Total			36,000	0.07 (Average)	0.59 years (Average maturity)	

	Lender	Drawdown date	EOB	Interest	Repayment date (period)	
Current Portion of Long-term Loans	Mitsubishi UFJ Trust and Banking Corporation	04/04/11	5,000	1.205	04/04/17	6 years
	Mitsubishi UFJ Trust and Banking Corporation	06/01/11	12,000	1.12625	06/01/17	6 years
	The Bank of Fukuoka, Ltd.	06/15/12	2,500	0.66	06/15/17	5 years
	Shinsei Bank, Limited	06/15/12	2,500	0.66	06/15/17	5 years
	The Iyo Bank, Ltd.	06/15/12	2,500	0.66	06/15/17	5 years
	The Hachijuni Bank, Ltd.	06/15/12	1,000	0.66	06/15/17	5 years
	The Bank of Fukuoka, Ltd.	08/31/11	2,000	0.9025	08/31/17	6 years
	The Bank of Fukuoka, Ltd.	08/31/12	1,000	0.57125	08/31/17	5 years
	The Hachijuni Bank, Ltd.	12/20/12	1,000	0.45625	12/20/17	5 years
	The Ashikaga Bank, Ltd.	01/07/13	1,000	0.49125	01/09/18	5 years
	The Joyo Bank, Ltd.	01/07/13	1,000	0.49125	01/09/18	5 years
	Sumitomo Mitsui Trust Bank, Limited	01/17/11	3,000	1.43375	01/17/18	7 years
	Nippon Life Insurance Company	03/01/11	2,000	1.465	03/01/18	7 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	03/24/11	2,000	1.3975	03/26/18	7 years
	Resona Bank, Limited	03/25/13	3,000	0.45	03/26/18	5 years
	The Chugoku Bank, Limited	03/25/13	2,000	0.45	03/26/18	5 years
	The Hachijuni Bank, Ltd.	03/25/13	1,000	0.45	03/26/18	5 years
	Taiyo Life Insurance Company	03/30/11	2,000	1.39625	03/30/18	7 years
Total			46,500	0.96 (Average)	0.46 years (Average maturity)	

	Lender	Drawdown date	EOB	Interest	Repayment date (period)	
Long-term Loans	Mitsubishi UFJ Trust and Banking Corporation	06/01/11	10,000	1.31125	06/01/18	7 years
	Shinsei Bank, Limited	08/31/11	3,000	1.0475	08/31/18	7 years
	Sumitomo Mitsui Trust Bank, Limited	09/26/11	5,500	1.16	09/26/19	8 years
	Mizuho Bank, Ltd.	11/01/11	6,000	1.2075	11/01/19	8 years
	Sumitomo Mitsui Trust Bank, Limited	11/15/11	3,000	0.98375	11/15/18	7 years
	Sumitomo Mitsui Banking Corporation	11/15/11	3,000	0.98375	11/15/18	7 years
	Mitsubishi UFJ Trust and Banking Corporation	11/15/11	3,000	1.13875	11/15/19	8 years
	Mizuho Bank, Ltd.	11/15/11	3,000	1.13875	11/15/19	8 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	11/15/11	3,000	1.13875	11/15/19	8 years
	Mitsubishi UFJ Trust and Banking Corporation	06/15/12	4,000	0.9525	06/15/20	8 years
	Sumitomo Mitsui Trust Bank, Limited	06/15/12	4,000	0.9525	06/15/20	8 years
	Mizuho Bank, Ltd.	06/15/12	4,000	1.07375	06/15/21	9 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	06/15/12	4,000	1.1975	06/15/22	10 years
	Mitsubishi UFJ Trust and Banking Corporation	06/15/12	2,500	1.2725	06/15/22	10 years
	Shinsei Bank, Limited	06/15/12	2,500	1.2725	06/15/22	10 years
	The Yamaguchi Bank, Ltd.	10/29/12	2,000	0.8	10/29/20	8 years
	Mitsubishi UFJ Trust and Banking Corporation	12/21/12	5,000	0.80125	12/21/20	8 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	12/21/12	5,000	0.80125	12/21/20	8 years
	Shinkin Central Bank	01/07/13	2,000	0.71375	01/07/20	7 years
	Sumitomo Mitsui Banking Corporation	01/07/13	2,000	0.98	01/07/22	9 years
	Development Bank of Japan Inc.	01/07/13	3,000	1.115	01/06/23	10 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	01/15/13	5,500	0.71	01/15/20	7 years
	Shinkin Central Bank	01/15/13	5,000	0.71	01/15/20	7 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	01/15/13	5,500	0.83625	01/15/21	8 years

(EOB : In millions of yen, Interest : %)

	Lender	Drawdown date	EOB	Interest	Repayment date (period)	
Long-term Loans	Mizuho Bank, Ltd.	01/15/13	5,000	0.96625	01/17/22	9 years
	The Yamaguchi Bank, Ltd.	03/25/13	1,000	0.945	03/24/23	10 years
	Shinkin Central Bank	04/24/13	5,000	0.52775	04/24/18	5 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	04/24/13	5,000	0.775	04/26/21	8 years
	Mizuho Bank, Ltd.	04/24/13	3,000	0.87375	04/25/22	9 years
	Mitsubishi UFJ Trust and Banking Corporation (*1)	01/31/14	4,000	0.64225	01/29/21	7 years
	The Bank of Fukuoka, Ltd. (*1)	01/31/14	2,500	0.63849	01/29/21	7 years
	Sumitomo Mitsui Trust Bank, Limited (*1)	01/31/14	2,000	0.62575	01/29/21	7 years
	The Norinchukin Bank (*1)	01/31/14	3,500	0.757	01/31/22	8 years
	Development Bank of Japan Inc.	01/31/14	5,000	0.9325	01/31/23	9 years
	The Gunma Bank, Ltd. (*1)	03/24/14	1,000	0.4105	03/25/19	5 years
	The Iyo Bank, Ltd. (*1)	03/24/14	2,000	0.6035	03/24/21	7 years
	The Nishi-Nippon City Bank, Ltd. (*1)	06/17/14	2,000	0.621	12/17/21	7.5 years
	The Norinchukin Bank (*1)	06/17/14	3,000	0.6785	06/17/22	8 years
	The Hiroshima Bank, Ltd. (*1)	10/01/14	3,000	0.31575	10/01/19	5 years
	The Iyo Bank, Ltd. (*1)	10/01/14	1,000	0.46525	10/01/21	7 years
	The Chugoku Bank, Limited (*1)	10/01/14	1,000	0.4725	10/01/21	7 years
	Taiyo Life Insurance Company	10/01/14	2,000	0.7825	10/01/24	10 years
	The first General syndication loan (*1)	11/14/14	13,000	0.463	11/15/21	7 years
	The Gunma Bank, Ltd. (*1)	11/17/14	1,000	0.316	11/18/19	5 years
	The Yamanashi Chuo Bank, Ltd. (*1)	12/15/14	2,000	0.266	12/16/19	5 years
	The second General syndication loan (*2)	12/19/14	10,000	0.42375	12/19/23	9 years
	Mizuho Trust & Banking Co., Ltd. (*1)	03/02/15	3,000	0.5585	03/03/25	10 years
	The Bank of Fukuoka, Ltd.	03/24/15	2,000	0.5125	03/24/23	8 years
	The Norinchukin Bank (*1)	03/25/15	3,500	0.46825	03/27/23	8 years
	Sumitomo Mitsui Trust Bank, Limited	05/29/15	5,000	0.2075	05/29/19	4 years
	Taiyo Life Insurance Company	05/29/15	1,500	0.7375	05/29/25	10 years
	Sumitomo Mitsui Trust Bank, Limited	06/15/15	3,000	0.3425	06/15/20	5 years
	The Chugoku Bank, Limited (*1)	06/15/15	3,000	0.61175	06/15/23	8 years
	The third General syndication loan (*1)	08/10/15	6,500	0.3925	08/10/22	7 years
	Mizuho Bank, Ltd.	09/01/15	2,500	0.17	03/01/19	3.5 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	09/01/15	5,000	0.2	09/02/19	4 years
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	09/01/15	2,000	0.47125	09/01/22	7 years
	Mitsubishi UFJ Trust and Banking Corporation	09/01/15	3,500	0.63	09/02/24	9 years
	Development Bank of Japan Inc.	09/01/15	7,000	0.7175	09/01/25	10 years
	Sumitomo Mitsui Trust Bank, Limited (*1)	09/02/15	3,800	0.536	09/02/24	9 years
	Mizuho Bank, Ltd.	10/01/15	2,500	0.5575	10/01/24	9 years
	The Daishi Bank, Ltd. (*1)	01/07/16	1,500	0.2802	01/10/23	7 years
	The Iyo Bank, Ltd. (*1)	01/15/16	1,000	0.265	01/16/23	7 years
	The Hachijuni Bank, Ltd. (*1)	01/15/16	1,000	0.265	01/16/23	7 years
	Mitsubishi UFJ Trust and Banking Corporation	10/31/16	3,000	0.24	10/30/26	10 years
	Mizuho Bank, Ltd.	12/21/16	5,000	0.415	12/21/26	10 years
	Sumitomo Mitsui Trust Bank, Limited	12/26/16	3,700	0.1913	06/28/21	4.5 years
	Mizuho Bank, Ltd.	12/26/16	5,000	0.3625	12/26/25	9 years
	Development Bank of Japan Inc.	03/30/17	5,000	0.315	03/31/25	8 years
	Shinkin Central Bank	03/30/17	5,000	0.36	03/30/26	9 years
Total			256,500	0.70 (Average)	4.64 years (Average maturity)	
	Bond Name	Issue date	EOB	Interest	Redemption date (period)	
Investment Corporation Bonds	The Fourth unsecured Investment Corporation Bond	09/29/05	10,000	2.56	09/29/25	20 years
	The Ninth unsecured Investment Corporation Bond	08/30/13	10,000	0.497	08/30/18	5 years
	The 10th unsecured Investment Corporation Bond	03/30/17	10,000	0.3975	03/30/27	10 years
Total			30,000	1.15 (Average)	6.64 years (Average maturity)	

Outline of Commitment line agreement

- Maximum Amount: ¥50 billion
- Expiry of the contract: September 19, 2019
- Participating financial institutions:
Mizuho Bank, Ltd.
The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Sumitomo Mitsui Trust Bank, Limited
Mitsubishi UFJ Trust and Banking Corporation

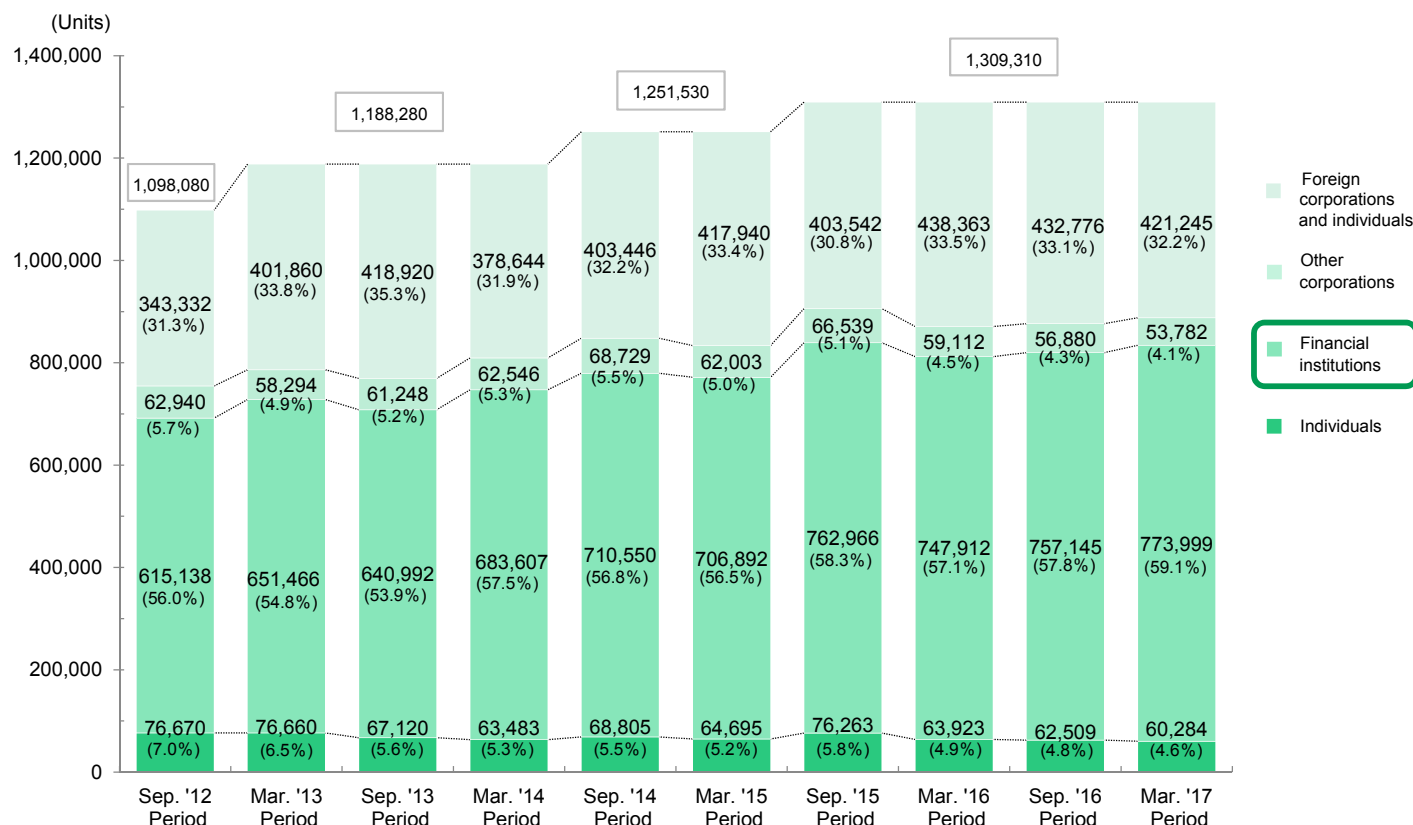
*The loans drawn down and the bonds issued in Mar. '17 Period are shown in blue

(*1) The loans were originally floating rate basis, which were swapped into fixed rates to hedge against interest rate fluctuations. Hence the fixed rates after the swap transactions are shown above.

(*2) The loans were originally in US dollar, floating rate basis and the currency and interest rate swap transaction was executed in order to hedge against a risk of exchange-rate fluctuations and interest fluctuations. Hence the above rates are the fixed rates after the currency and interest rate swap transaction.

There is no outstanding balance
as of the end of Mar. '17 Period

Unitholder Composition



Top 10 Unitholders

Mar. '17 Period

	Name of Unitholder	Units	% of Total Units Outstanding
1	Japan Trustee Services Bank, Ltd. (Shintaku Acc.)	251,457	19.21%
2	The Master Trust Bank of Japan, Ltd. (Shintaku Acc.)	129,910	9.92%
3	Trust & Custody Services Bank, Ltd. (Toshin Acc.)	106,502	8.13%
4	The Nomura Trust and Banking Co., Ltd. (Toshin Acc.)	54,572	4.17%
5	STATE STREET BANK WEST CLIENT-TREATY 505234	28,253	2.16%
6	STATE STREET BANK AND TRUST COMPANY 505012	25,552	1.95%
7	STATE STREET BANK-WEST PENSION FUND CLIENTS-EXEMPT 505233	24,029	1.84%
8	NOMURA BANK (LUXEMBOURG) S . A .	19,727	1.51%
9	STATE STREET BANK AND TRUST COMPANY 505223	18,347	1.40%
10	The Chugoku Bank Ltd.	17,970	1.37%
	Mitsubishi Estate Co., Ltd	17,120	1.31%
	Mitsui & Co., Ltd.	3,200	0.24%

Sep. '16 Period

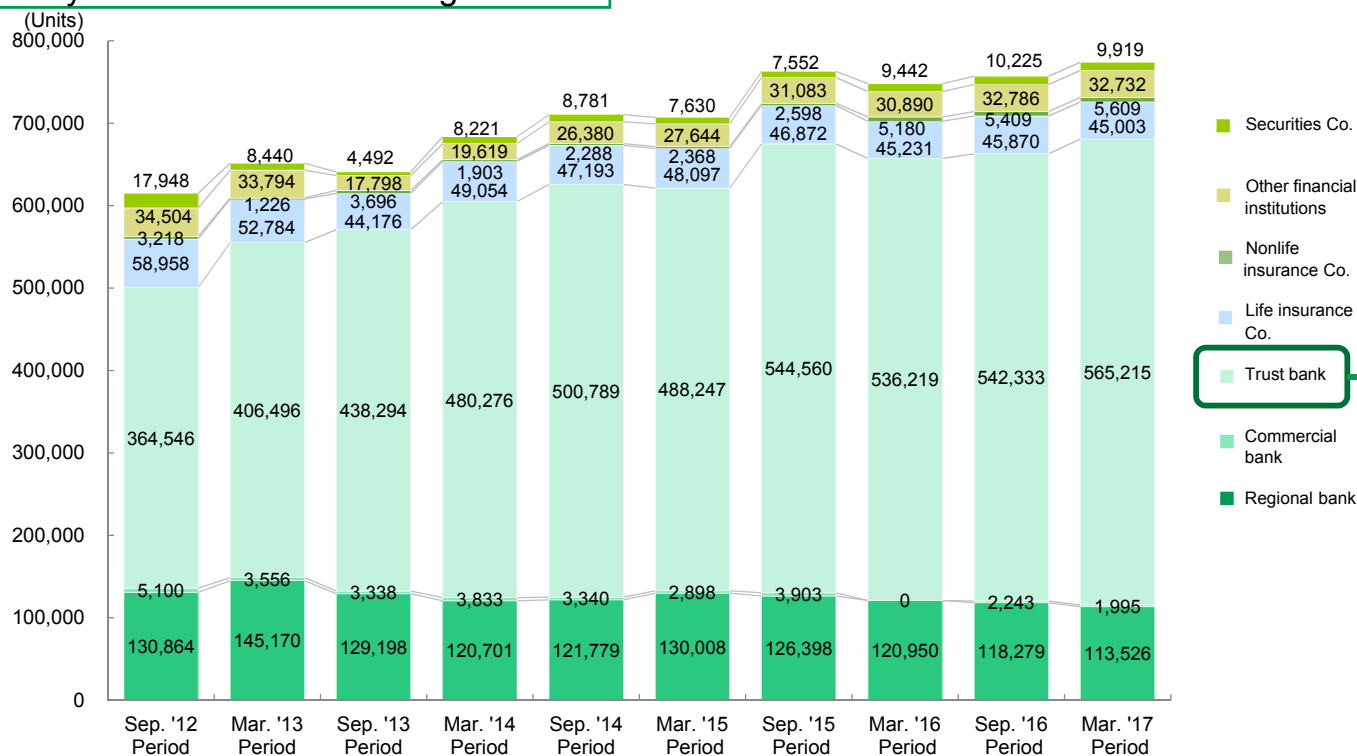
	Name of Unitholder	Units	% of Total Units Outstanding
1	Japan Trustee Services Bank, Ltd. (Shintaku Acc.)	237,365	18.13%
2	The Master Trust Bank of Japan, Ltd. (Shintaku Acc.)	129,151	9.86%
3	Trust & Custody Services Bank, Ltd. (Toshin Acc.)	97,820	7.47%
4	The Nomura Trust and Banking Co., Ltd. (Toshin Acc.)	52,705	4.03%
5	STATE STREET BANK WEST CLIENT-TREATY 505234	26,487	2.02%
6	STATE STREET BANK-WEST PENSION FUND CLIENTS-EXEMPT 505233	22,544	1.72%
7	STATE STREET BANK AND TRUST COMPANY 505223	21,279	1.63%
8	The Chugoku Bank Ltd.	17,970	1.37%
9	NOMURA BANK (LUXEMBOURG) S . A .	17,226	1.32%
10	Mitsubishi Estate Co., Ltd	17,120	1.31%
	Mitsui & Co., Ltd.	3,200	0.24%

Number of Unitholders by Sector

	End of Mar. '17 Period		End of Sep. '16 Period	
	Unitholders	%	Unitholders	%
Individuals	13,489	92.2%	14,059	92.5%
Financial institutions	234	1.6%	244	1.6%
Other corporations	399	2.7%	413	2.7%
Foreign corporations / individuals	501	3.4%	490	3.2%
Total	14,623	100.0%	15,206	100.0%

Financial Institutions

Distribution of Total Units Outstanding
by Financial Institution Segment

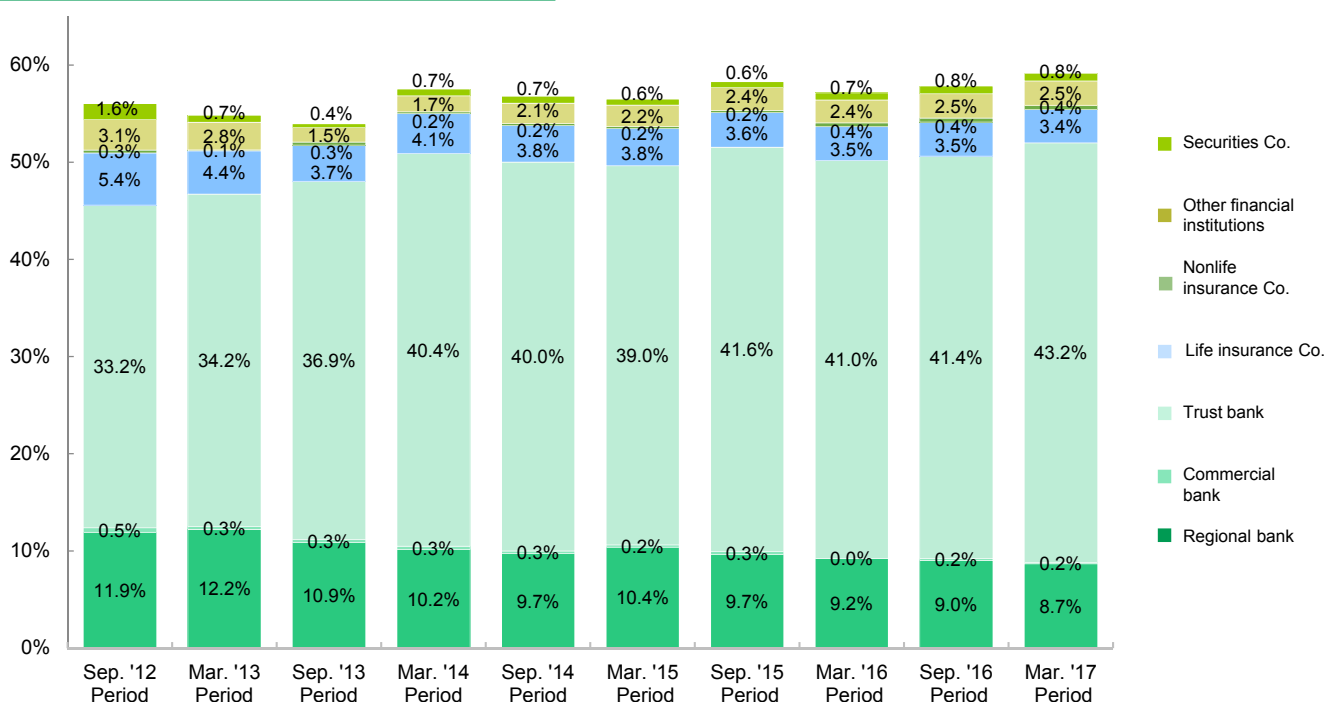


<Number of investment trust units>

(Units)

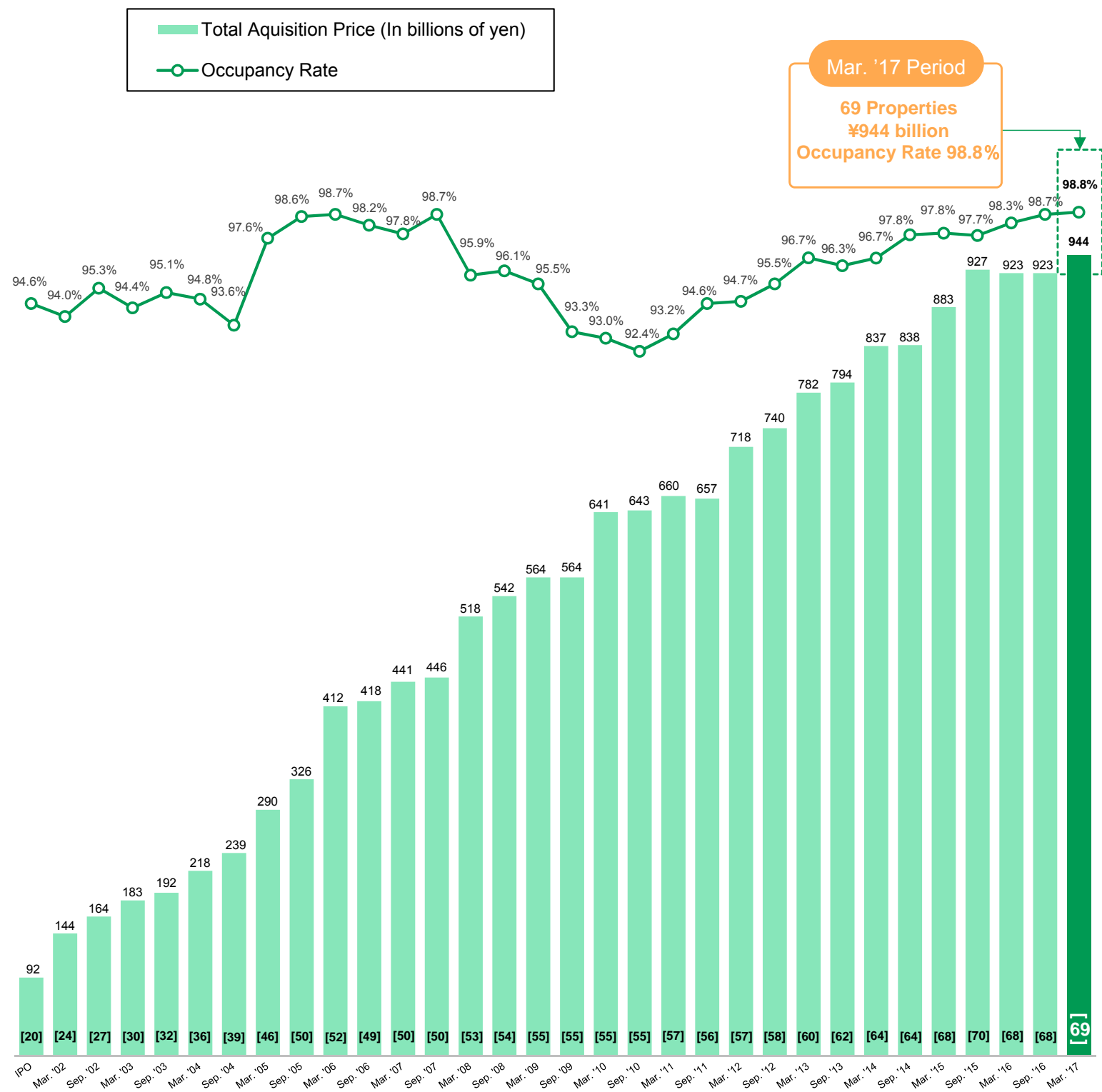
	Sep. '12 Period	Mar. '13 Period	Sep. '13 Period	Mar. '14 Period	Sep. '14 Period	Mar. '15 Period	Sep. '15 Period	Mar. '16 Period	Sep. '16 Period	Mar. '17 Period
Number of units outstanding	1,098,080	1,188,280	1,188,280	1,188,280	1,251,530	1,251,530	1,309,310	1,309,310	1,309,310	1,309,310
Trust bank	364,546	406,496	438,294	480,276	500,789	488,247	544,560	536,219	542,333	565,215
Investment trust	278,266	316,986	336,156	374,564	389,165	370,639	425,120	415,349	414,234	433,363
% against total units outstanding	25.3%	26.7%	28.3%	31.5%	31.1%	29.6%	32.5%	31.7%	31.6%	33.1%
% against units owned by trust bank	76.3%	78.0%	76.7%	78.0%	77.7%	75.9%	78.1%	77.5%	76.4%	76.7%

Proportion of Total Units Outstanding
by Financial Institution Segment



MEMO

Historical Asset Size and Occupancy Rate



*The original acquisition price pertaining to the part of Jingumae Media Square Building site, which was transferred on October 30, 2009 has not been deducted from the total acquisition price in the above graph.

*Occupancy rate of Shinjuku South Gate Project (tentative name) (Land with leasehold interest) is not included in the above graph after Sep. '13 Period, as Nippon Brunswick (building) (Currently: Shinjuku South Gate Project (tentative name)) was transferred on August 23, 2013.

Achieved steady growth since IPO in 2001 and established a portfolio worth over ¥940 billion (acquisition price basis)

Geographic Diversification and Trend in Average Building Age

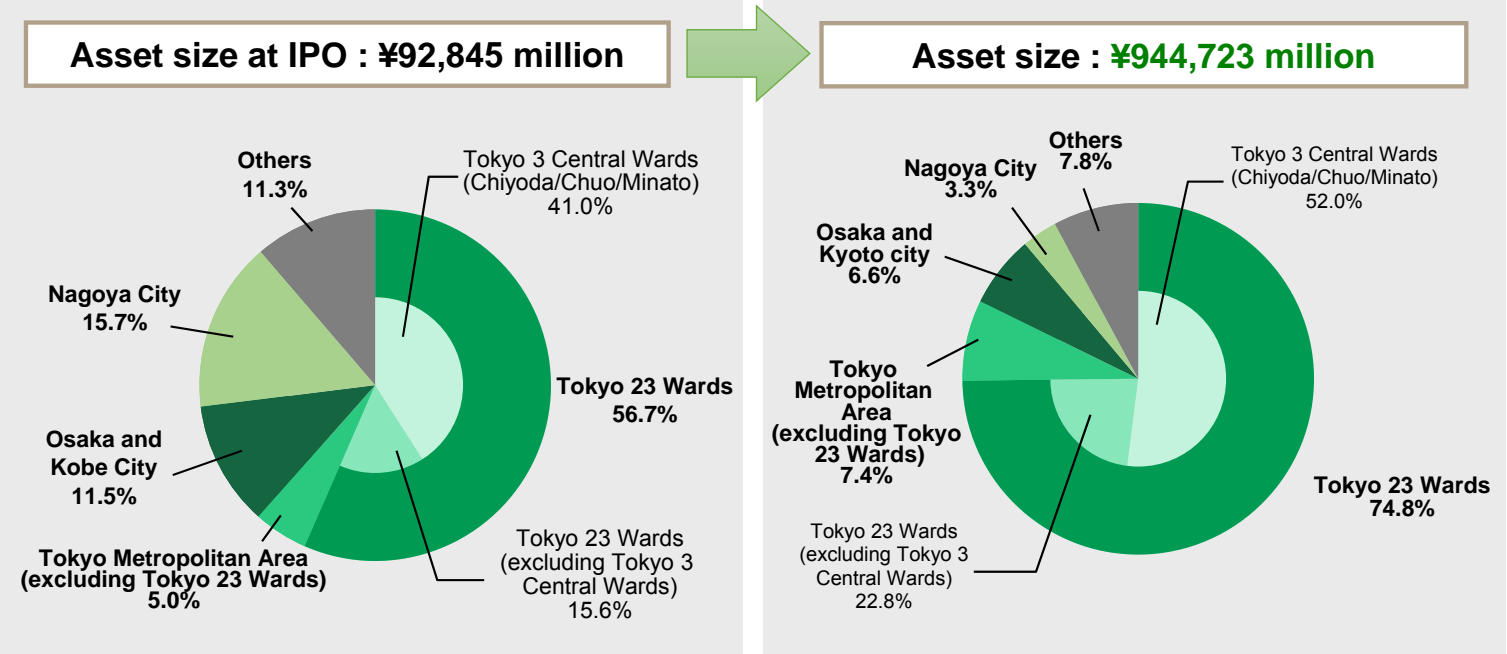
At IPO (The end of September 2001)
20 properties

After 15.5 years

As of the end of Mar. '17 Period
69 properties

Geographical Diversification

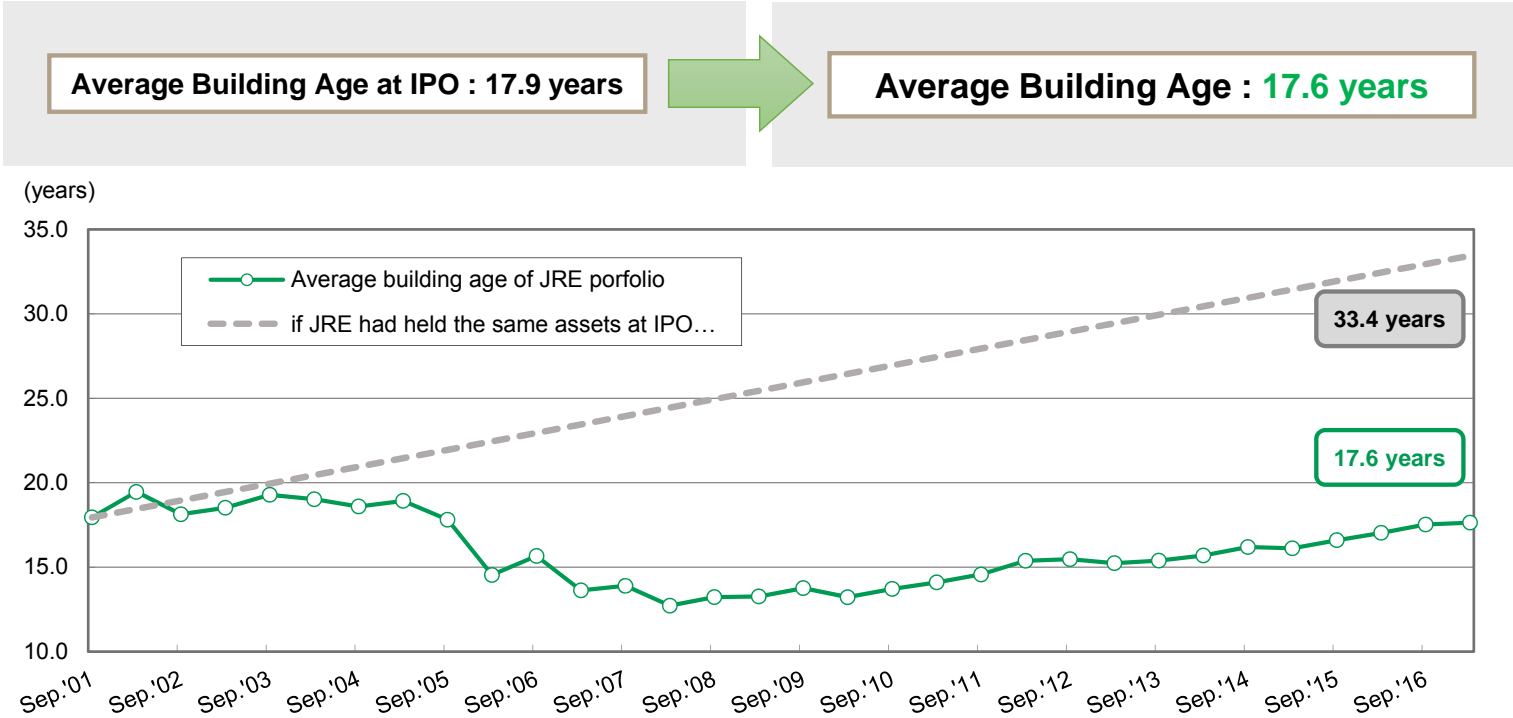
* Acquisition price basis
* Tokyo metropolitan area represents Tokyo, Saitama, Chiba and Kanagawa prefecture.



Portfolio advanced with strong competitiveness and high liquidity, focusing mainly in Tokyo 3 central wards / Tokyo 23 wards.

Trend in Average Building Age

*Weighted average of the entire portfolio based on acquisition prices
*Shinjuku South Gate Project (tentative name) (Land with leasehold interest) is not included.



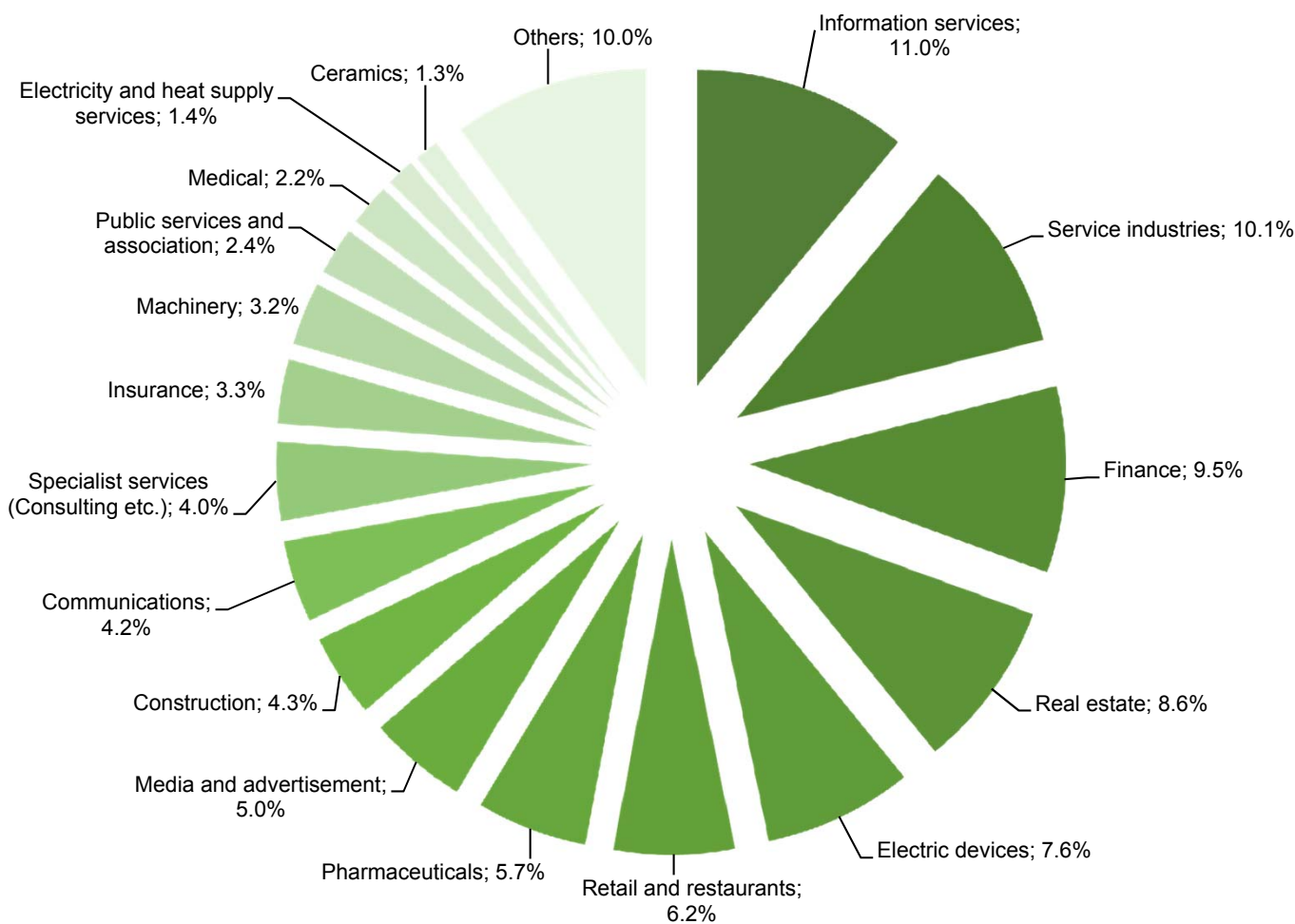
Even after 15.5 years since IPO, overall building age is newer in the current portfolio

Tenant Diversification and Changes in the Number of Tenants

Tenant Diversification

68 properties as of March 31, 2017
Based on the leased office space

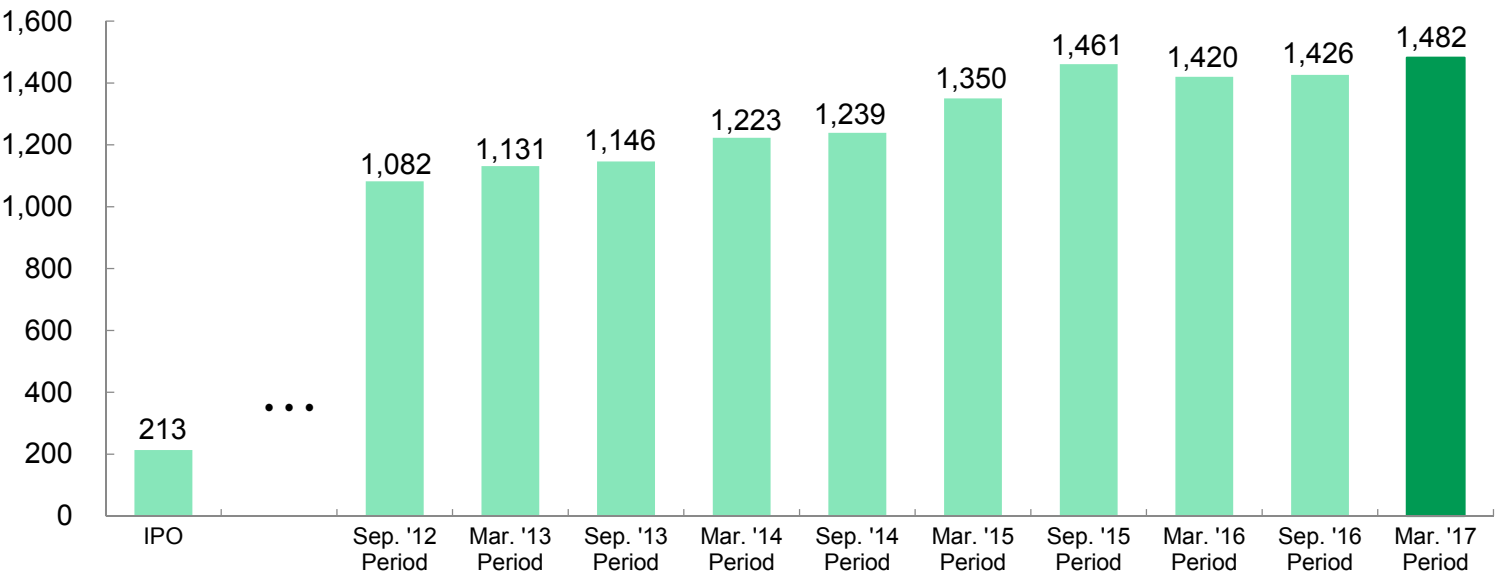
*Shinjuku South Gate Project (tentative name)(Land with leasehold interest) is not included.



Changes in the Number of Tenants

Gross number of tenants

* The number of tenants is disclosed based on the gross number of tenants by building.



Major Tenants and Ratios

Major Tenants / Top 10

68 properties as of March 31, 2017
Based on the leased office space

*Shinjuku South Gate Project (tentative name) (Land with leasehold interest) is not included.

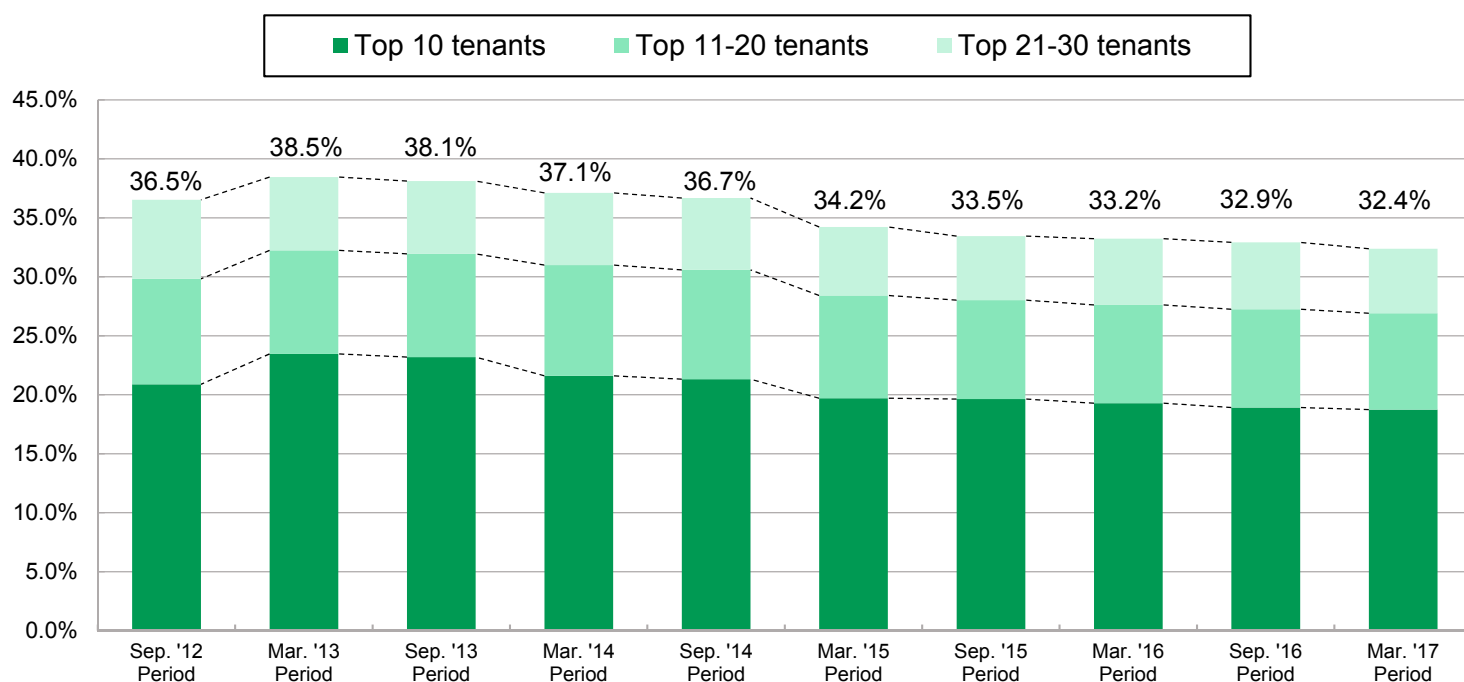
Mar. '17 Period					Sep. '16 Period		
Rank	Tenant	Property	Leased Office Space(m ²)	% of Total Leased Office Space	Rank	Leased Office Space(m ²)	Leased Office Space Change(m ²)
1	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Harumi Front (also includes 3 other buildings)	33,912	4.1%	1	33,912	0
2	(Note)	Kitanomaru Square (also includes 2 other buildings)	22,305	2.7%	2	22,305	0
3	(Note)	Osaki Front Tower (also includes 2 other buildings)	21,849	2.6%	3	21,985	(136)
4	NTT Communications Corporation	Shiodome Building	14,766	1.8%	4	13,289	1,476
5	HAKUHODO DY HOLDINGS INCORPORATED	Akasaka Park Building (also includes 1 other building)	12,831	1.6%	5	12,831	0
6	Mitsubishi UFJ Trust and Banking Corporation	Mitsubishi UFJ Trust and Banking Building	10,598	1.3%	7	10,598	0
7	JGC Corporation	MM Park Building (also includes 1 other building)	10,483	1.3%	6	10,649	(166)
8	Minato Mirai 21 District Heating and Cooling Co., Ltd	Queen's Tower A	9,536	1.2%	8	9,536	0
9	Seven & i Holdings Co., Ltd.	Nibancho Garden	9,316	1.1%	9	9,316	0
10	TOTO LTD.	Shiodome Building (also includes 1 other building)	9,138	1.1%	11	8,581	556
11	Company A		8,774	1.1%	10	8,774	0
12	Company B		8,567	1.0%	12	8,567	0
13	Company C		7,271	0.9%	13	7,271	0
14	Company D		6,564	0.8%	14	6,564	0
15	Company E		6,493	0.8%	15	6,493	0

(Note) Not disclosed due to tenant's request

Percentage of Major Tenants

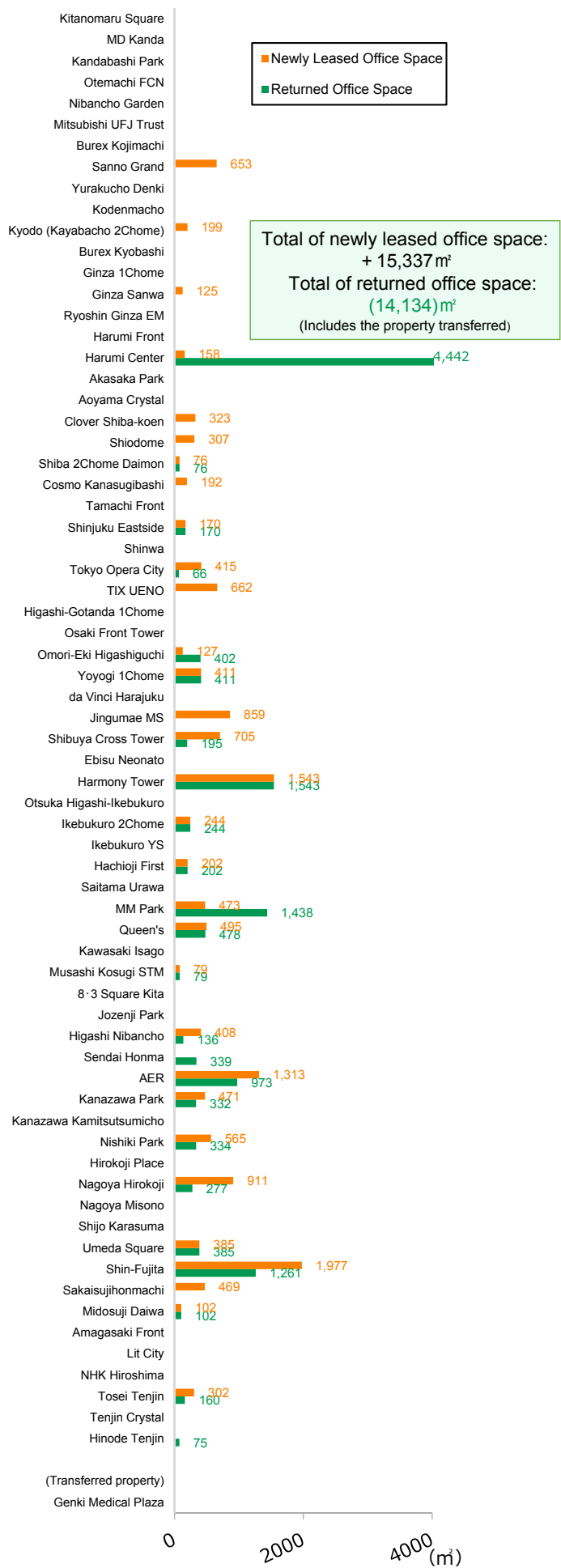
68 properties as of March 31, 2017 Based on the leased office space

*Shinjuku South Gate Project (tentative name) (Land with leasehold interest) is not included.

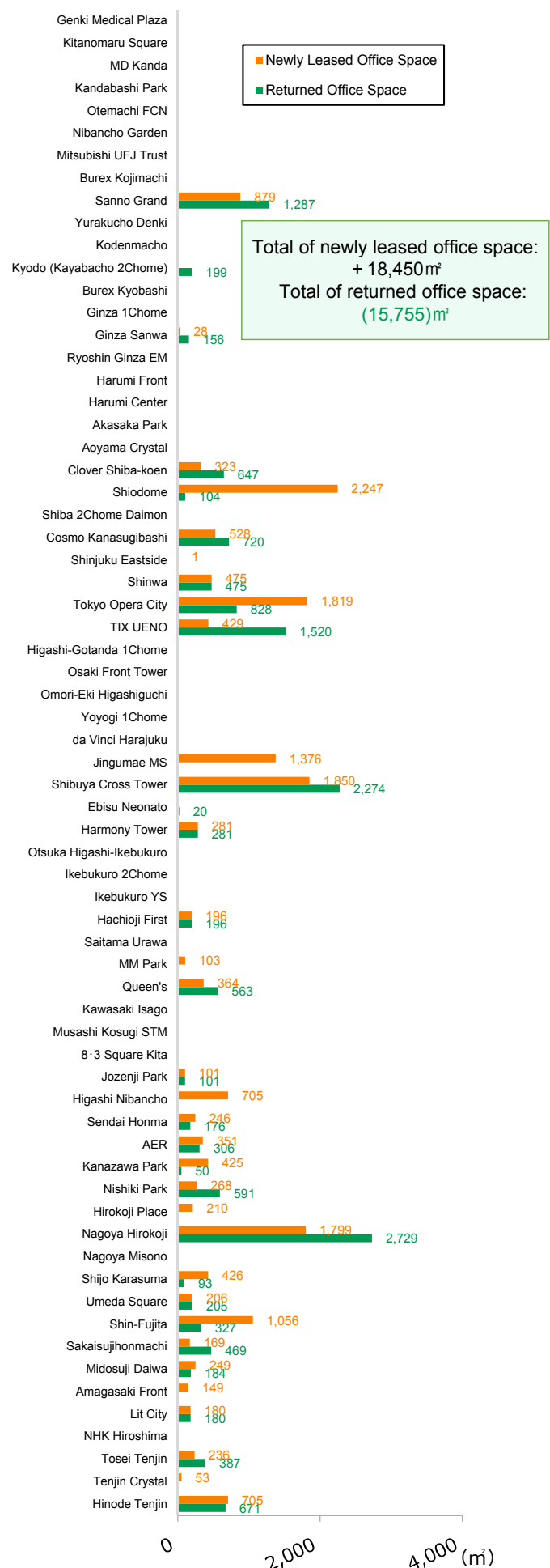


Newly Leased & Returned Office Space of Each Property

Tenant Turnover in Mar. '17 Period



Tenant Turnover in Sep. '16 Period



Portfolio List at the End of Mar. '17 Period (Occupancy Rate, etc.)

Area		Name	End of Mar. '17 Period (Actual)							End of Sep. '17 Period (Forecast)						
			Leasable Office Space (㎡)	Leased Office Space (㎡)	Vacant Area (㎡)		Occupancy Rate		Number of Tenants	Leasable Office Space (㎡)	Leased Office Space (㎡)	Vacant Area (㎡)		Occupancy Rate		
					End of Mar. '17 Period	Variance from End of Sep. '16 Period	End of Mar. '17 Period	Variance from End of Sep. '16 Period				End of Sep. '17 Period	Variance from End of Mar. '17 Period	End of Sep. '17 Period	Variance from End of Mar. '17 Period	
Tokyo 23 Wards	Chiyoda	Kitanomaru Square	25,678	25,678	0		100.0%		5	25,678	25,678	0		100.0%		
		MD Kanda	6,269	6,269	0		100.0%		9	6,269	6,269	0		100.0%		
		Kandabashi Park	3,687	3,687	0		100.0%		10	3,687	3,687	0		100.0%		
		Otemachi FCN	5,121	5,121	0		100.0%		2	5,121	5,121	0		100.0%		
		Nibancho Garden	9,316	9,316	0		100.0%		1	9,316	9,316	0		100.0%		
		Mitsubishi UFJ Trust	11,904	11,904	0		100.0%		10	11,904	11,904	0		100.0%		
		Burex Kojimachi	4,495	4,495	0		100.0%		1	4,495	4,495	0		100.0%		
		Sanno Grand	20,665	20,571	93	(653)	99.5%	3.1%	40	20,665	20,571	93		99.5%		
	Chuo	Yurakucho Denki	4,697	4,697	0		100.0%		13	4,697	4,697	0		100.0%		
		Kodenmacho	3,897	3,897	0		100.0%		11	3,897	3,897	0		100.0%		
		Kyodo (Kayabacho 2Chome)	4,464	4,464	0	(199)	100.0%	4.5%	10	4,464	4,464	0		100.0%		
		Burex Kyobashi	4,279	4,279	0		100.0%		1	4,279	4,279	0		100.0%		
		Ginza 1Chome	4,513	4,513	0		100.0%		8	4,513	3,984	529	529	88.3%	(11.7)%	
		Ginza Sanwa	4,326	4,326	0	(125)	100.0%	2.9%	11	4,326	4,326	0		100.0%		
		Ryoshin Ginza EM	4,255	4,255	0		100.0%		12	4,255	3,879	376	376	91.2%	(8.8)%	
		Harumi Front	33,369	33,369	0		100.0%		8	33,369	33,369	0		100.0%		
		Harumi Center	20,812	16,528	4,283	4,283	79.4%	(20.6)%	9	20,812	18,018	2,793	(1,490)	86.6%	7.2%	
		Minato	Akasaka Park	45,013	45,013	0		100.0%		29	45,013	45,013	0		100.0%	
	Aoyama Crystal		4,898	4,898	0		100.0%		7	4,898	4,123	774	774	84.2%	(15.8)%	
	Clover Shiba-koen		2,550	2,550	0	(323)	100.0%	12.7%	8	2,550	2,550	0		100.0%		
	Shiodome		40,194	40,194	0	(307)	100.0%	0.9%	38	40,194	40,003	190	190	99.5%	(0.5)%	
	Shiba 2Chome Daimon		9,606	9,606	0		100.0%		24	9,606	9,606	0		100.0%		
	Cosmo Kanasugibashi		4,062	4,062	0	(192)	100.0%	4.7%	8	4,062	3,880	181	181	95.5%	(4.5)%	
	Tamachi Front		3,792	3,792	0	-	100.0%	-	8	3,792	3,792	0		100.0%		
	Shinjuku Eastside		20,573	20,573	0		100.0%		42	20,573	20,573	0		100.0%		
	Shinjuku	Shinwa	5,997	5,997	0		100.0%		13	5,997	5,997	0		100.0%		
		Tokyo Opera City	35,025	34,817	207	(422)	99.4%	1.2%	101	35,025	34,689	335	128	99.0%	(0.4)%	
		Taito	TIX UENO	15,020	14,593	427	(662)	97.2%	4.5%	17	15,020	14,593	427		97.2%	
	Shinagawa	Higashi-Gotanda 1Chome	5,205	5,205	0		100.0%		4	5,205	5,205	0		100.0%		
		Osaki Front Tower	16,856	16,856	0		100.0%		1	16,856	16,856	0		100.0%		
	Ota	Omori-Eki Higashiguchi	7,706	7,481	224	224	97.1%	(2.9)%	24	7,706	7,467	238	13	96.9%	(0.2)%	
	Shibuya	Yoyogi 1Chome	7,745	7,745	0		100.0%		8	7,745	7,745	0		100.0%		
		da Vinci Harajuku	3,147	3,147	0		100.0%		4	3,147	3,147	0		100.0%		
		Jingumae MS	5,558	5,558	0	(859)	100.0%	15.5%	5	5,558	5,558	0		100.0%		
		Shibuya Cross Tower	29,797	29,797	0	(474)	100.0%	1.6%	54	29,797	29,315	482	482	98.4%	(1.6)%	
		Ebisu Neonato	8,700	8,679	20		99.8%		6	8,700	8,679	20		99.8%		
	Nakano	Harmony Tower	14,340	14,340	0		100.0%		22	14,340	14,340	0		100.0%		
	Toshima	Otsuka Higashi-Ikebukuro	7,224	7,224	0		100.0%		7	7,224	6,930	294	294	95.9%	(4.1)%	
		Ikebukuro 2Chome	2,186	2,186	0		100.0%		8	2,186	2,186	0		100.0%		
		Ikebukuro YS	5,932	5,932	0		100.0%		10	5,932	5,932	0		100.0%		
Other Areas	Hachioji	Hachioji First	10,068	10,068	0		100.0%		50	10,068	10,068	0		100.0%		
	Saitama	Saitama Urawa	4,510	4,510	0		100.0%		18	4,510	4,510	0		100.0%		
	Yokohama	MM Park	38,426	36,987	1,438	965	96.3%	(2.5)%	30	38,426	37,878	547	(891)	98.6%	2.3%	
		Queen's	26,669	25,939	730	(16)	97.3%	0.1%	50	26,669	25,992	676	(53)	97.5%	0.2%	
	Kawasaki	Kawasaki Isago	6,831	6,831	0		100.0%		13	6,831	6,666	165	165	97.6%	(2.4)%	
		Musashi Kosugi STM	5,378	5,378	0		100.0%		26	5,378	5,378	0		100.0%		
	Sapporo	8・3 Square Kita	12,265	12,265	0		100.0%		9	12,265	12,265	0		100.0%		
	Sendai	Jozenji Park	2,518	2,418	100		96.0%		16	2,518	2,418	100		96.0%		
		Higashi Nibancho	20,526	20,526	0	(272)	100.0%	1.3%	23	20,526	20,526	0		100.0%		
		Sendai Honma	6,234	5,894	339	339	94.6%	(5.4)%	24	6,234	6,155	78	(260)	98.7%	4.1%	
		AER	23,612	23,522	90	(340)	99.6%	1.4%	65	23,612	23,339	273	183	98.8%	(0.8)%	
	Kanazawa	Kanazawa Park	20,942	20,942	0	(139)	100.0%	0.7%	81	20,942	20,813	128	128	99.4%	(0.6)%	
		Kanazawa Kamitsutsumicho	7,206	7,044	162	-	97.7%	-	25	7,206	7,044	162		97.7%		
	Nagoya	Nishiki Park	10,338	10,188	149	(230)	98.6%	2.3%	60	10,338	10,134	203	54	98.0%	(0.6)%	
		Hirokoji Place	13,200	13,200	0		100.0%		27	13,200	13,200	0		100.0%		
		Nagoya Hirokoji	21,427	20,448	979	(817)	95.4%	3.7%	36	21,427	21,256	171	(808)	99.2%	3.8%	
		Nagoya Misono	3,448	3,448	0		100.0%		16	3,448	3,448	0		100.0%		
	Kyoto	Shijo Karasuma	6,634	6,634	0		100.0%		11	6,634	6,634	0		100.0%		
	Osaka	Umeda Square	10,370	10,370	0		100.0%		42	10,370	10,370	0		100.0%		
		Shin-Fujita	28,403	28,256	146	(727)	99.5%	2.6%	51	28,403	28,403	0	(146)	100.0%	0.5%	
		Sakaisujihonmachi	11,520	11,520	0	(469)	100.0%	4.1%	22	11,520	11,520	0		100.0%		
		Midosuji Daiwa	20,450	20,450	0		100.0%		42	20,450	20,450	0		100.0%		
	Amagasaki	Amagasaki Front	15,500	15,500	0		100.0%		31	15,500	15,500	0		100.0%		
	Okayama	Lit City	9,965	9,965	0		100.0%		39	9,965	9,706	259	259	97.4%	(2.6)%	
	Hiroshima	NHK Hiroshima	9,860	9,860	0		100.0%		12	9,860	9,860	0		100.0%		
	Fukuoka	Tosei Tenjin	3,995	3,834	160	(141)	96.0%	3.6%	22	3,995	3,834	160		96.0%		
		Tenjin Crystal	5,964	5,964	0		100.0%		30	5,964	5,766	197	197	96.7%	(3.3)%	
		Hinode Tenjin	5,903	5,828	75	75	98.7%	(1.3)%	2	5,903	5,828	75		98.7%		
	Tokyo 23 Wards			472,893	467,634	5,258	288	98.9%		609	472,893	466,153	6,739	1,480	98.6%	(0.3)%
	Other Areas			362,176	357,802	4,373	(1,611)	98.8%	0.5%	873	362,176	358,975	3,200	(1,172)	99.1%	0.3%
Portfolio			835,069	825,437	9,632	(1,323)	98.8%	0.1%	1,482	835,069	825,129	9,940	308	98.8%		

- The above-mentioned office space and occupancy rates do not include the residential portions. Leasable office space and occupancy rates of the residential portions as of the end of Mar. '17 Period are 11,694 m² 99.4% of Kitanomaru Square, 10,780 m² 93.1% of Akasaka Park Building, 1,686 m² 100.0% of Nibancho Garden, 954 m² 74.0% of Nishiki Park Building.
- The Number of tenants is disclosed based on the gross number of tenants by building.

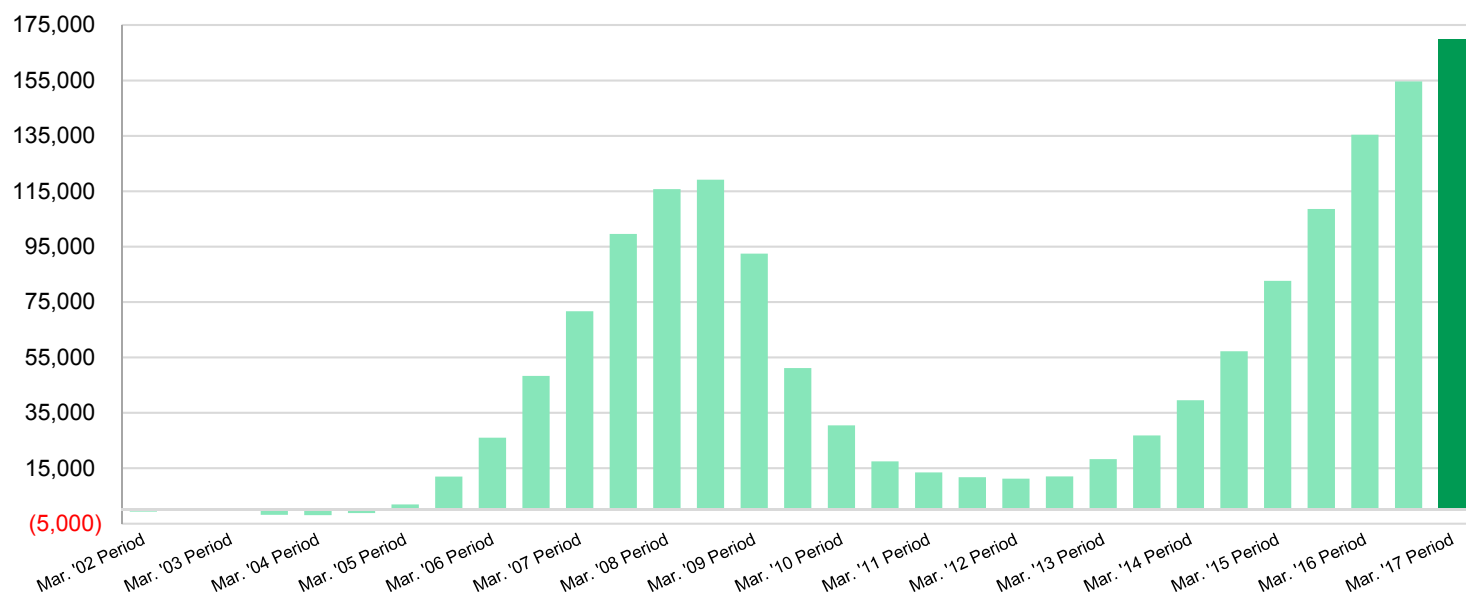
Appraisal Values of Properties

								(In millions of yen)	
Area		Name	Mar. '17 Period Appraisal Value	Sep. '16 Period Appraisal Value	Amount of Difference	Mar. '17 Period Book Value	Mar. '17 Period Appraisal Value - Book Value	Acquisition Price	
Tokyo 23 Wards	Chiyoda	Kitanomaru Square	80,100	78,600	1,500	72,803	7,296	81,555	
		MD Kanda	8,460	8,360	100	8,756	(296)	9,520	
		Kandabashi Park	4,610	4,580	30	4,491	118	4,810	
		Otemachi FCN	18,900	18,800	100	15,195	3,704	15,462	
		Nibancho Garden	17,900	17,900	0	12,570	5,329	14,700	
		Mitsubishi UFJ Trust	51,800	51,600	200	29,014	22,785	44,700	
		Burex Kojimachi	6,880	6,610	270	5,700	1,179	7,000	
		Sanno Grand	33,300	33,300	0	21,307	11,992	20,900	
		Yurakucho Denki	8,080	8,060	20	7,715	364	7,200	
	Chuo	Kodenmacho	2,920	2,880	40	2,775	144	3,173	
		Kyodo (Kayabacho 2Chome)	4,990	4,920	70	4,207	782	4,410	
		Burex Kyobashi	7,660	7,520	140	4,489	3,170	5,250	
		Ginza 1Chome	7,360	7,220	140	6,471	888	6,459	
		Ginza Sanwa	18,400	18,400	0	17,190	1,209	16,830	
		Ryoshin Ginza EM	6,260	6,180	80	7,492	(1,232)	7,999	
		Harumi Front	40,900	40,000	900	28,788	12,111	31,300	
		Harumi Center	19,600	19,600	0	22,603	(3,003)	26,800	
		Minato	Akasaka Park	71,300	70,100	1,200	60,332	10,967	60,800
	Aoyama Crystal		8,120	8,120	0	7,112	1,007	7,680	
	Clover Shiba-koen		4,610	4,600	10	4,576	33	4,500	
	Shiodome (existing units)		97,200	96,800	400	83,289	13,910	85,950	
	Shiba 2Chome Daimon		6,670	6,470	200	5,021	1,648	4,859	
	Cosmo Kanasugibashi		3,170	3,090	80	2,527	642	2,808	
	Shinjuku		Shinjuku Eastside (existing units)	26,100	25,900	200	21,831	4,268	23,100
		Shinwa	7,040	6,970	70	7,592	(552)	7,830	
		Tokyo Opera City	33,700	32,500	1,200	28,281	5,418	31,776	
	Taito	TIX UENO	25,000	24,800	200	20,014	4,985	22,000	
	Shinagawa	Higashi-Gotanda 1Chome	6,140	6,070	70	4,489	1,650	5,500	
		Osaki Front Tower	16,600	16,500	100	9,612	6,987	12,300	
	Ota	Omori-Eki Higashiguchi	5,700	5,600	100	4,779	920	5,123	
	Shibuya	Shinjuku South Gate Project (tentative name) (Land with leasehold interest)	5,490	5,490	0	5,572	(82)	5,500	
		Yoyogi 1Chome	11,600	11,600	0	7,006	4,593	8,700	
		da Vinci Harajuku	7,100	7,100	0	4,896	2,203	4,885	
		Jingumae MS	10,100	10,500	(400)	10,719	(619)	12,200	
		Shibuya Cross Tower	52,700	52,300	400	37,508	15,191	34,600	
		Ebisu Neonato	16,900	16,500	400	14,205	2,694	14,612	
		Harmony Tower	14,000	13,900	100	10,046	3,953	11,120	
	Toshima	Otsuka Higashi-Ikebukuro	4,530	4,480	50	3,441	1,088	3,541	
		Ikebukuro 2Chome	1,700	1,700	0	1,574	125	1,728	
		Ikebukuro YS	5,100	4,800	300	4,134	965	4,500	
Other Areas	Hachioji	Hachioji First	4,900	4,810	90	4,953	(53)	5,679	
	Saitama	Saitama Urawa	2,480	2,420	60	2,526	(46)	2,574	
	Yokohama	MM Park	39,800	39,800	0	32,287	7,512	37,400	
		Queen's	20,600	20,000	600	16,519	4,080	17,200	
	Kawasaki	Kawasaki Isago	2,680	2,610	70	2,949	(269)	3,375	
		Musashi Kosugi STM	4,260	4,210	50	3,861	398	4,000	
	Sapporo	8・3 Square Kita	7,940	7,700	240	6,024	1,915	7,100	
	Sendai	Jozenji Park	999	998	1	1,009	(10)	1,000	
		Higashi Nibancho	13,500	13,700	(200)	9,155	4,344	9,950	
		Sendai Honma	2,430	2,430	0	2,888	(458)	3,174	
		AER	19,400	19,000	400	18,504	895	18,640	
	Kanazawa	Kanazawa Park	4,880	4,680	200	4,336	543	4,580	
	Nagoya	Nishiki Park	5,040	5,030	10	5,218	(178)	5,975	
		Hirokoji Place	10,700	10,600	100	8,159	2,540	8,567	
		Nagoya Hirokoji	12,700	12,600	100	15,490	(2,790)	14,533	
		Nagoya Misono	1,280	1,270	10	1,529	(249)	1,865	
	Kyoto	Shijo Karasuma	5,080	5,040	40	4,053	1,026	4,400	
	Osaka	Umeda Square	16,400	16,300	100	15,512	887	15,523	
		Shin-Fujita	18,900	18,300	600	22,206	(3,306)	24,000	
		Sakaisujihonmachi	3,390	3,330	60	3,724	(334)	4,164	
		Midosuji Daiwa	14,300	14,300	0	13,594	705	14,314	
	Amagasaki	Amagasaki Front	9,890	9,820	70	8,900	989	9,300	
	Okayama	Lit City	4,430	4,430	0	3,215	1,214	4,650	
	Hiroshima	NHK Hiroshima	2,870	2,830	40	2,999	(129)	2,770	
	Fukuoka	Tosei Tenjin	1,360	1,320	40	1,381	(21)	1,550	
		Tenjin Crystal	2,700	2,650	50	4,055	(1,355)	5,000	
		Hinode Tenjin	3,890	3,880	10	3,417	472	3,657	
	Existing properties excluding		Tokyo 23 Wards	778,690	770,420	8,270	630,142	148,547	683,682
	properties acquired during		Other Areas	236,799	234,058	2,741	218,476	18,322	234,940
	Mar. '17 Period		Total (67 properties)	1,015,489	1,004,478	11,011	848,619	166,869	918,623
	Property acquired during Mar. '17 Period								
	Tokyo 23 Wards	Minato	Shiodome (additional acquisition)	10,800	-	-	9,254	1,545	10,450
			Tamachi Front	6,330	-	-	6,264	65	6,210
		Shinjuku	Shinjuku Eastside (additional acquisition)	6,700	-	-	5,613	1,086	6,660
	Other Areas	Kanazawa	Kanazawa Kamitsutsumicho	3,000	-	-	2,783	216	2,780
	Properties held as of the end of Mar. '17 Period								
	Tokyo 23 Wards			802,520	-	-	651,275	151,244	707,002
	Other Areas			239,799	-	-	221,259	18,539	237,720
	Total (69 properties)			1,042,319	-	-	872,534	169,784	944,723

*Figures of the properties for which additional shares were acquired during Mar. '17 Period among properties held at the end of Sep. '16 Period are described separately.

Trend of Unrealized Gain or Loss

(In millions of yen)



(In millions of yen, except for per-unit data)

		Mar. '02 Period	Sep. '02 Period	Mar. '03 Period	Sep. '03 Period	Mar. '04 Period	Sep. '04 Period	Mar. '05 Period	Sep. '05 Period	Mar. '06 Period	Sep. '06 Period
<Reference>	Appraisal value at the end of period	A	144,940	165,251	184,704	191,271	217,150	238,961	293,342	339,029	467,001
	Book value	B	145,580	165,088	184,304	193,058	219,032	240,134	291,350	327,005	418,607
	Unrealized gain or loss	A-B=C	(640)	162	399	(1,787)	(1,882)	(1,173)	1,991	12,023	48,393
	Unrealized gain or loss ratio	C/B	(0.4)%	0.1%	0.2%	(0.9)%	(0.9)%	(0.5)%	0.7%	3.7%	11.6%
	Units outstanding	D	320,800 units	450,800 units	450,800 units	450,800 units	520,800 units	520,800 units	520,800 units	690,800 units	690,800 units
	Unrealized gain or loss per unit	C/D=E	(1,995) yen	359 yen	887 yen	(3,965) yen	(3,614) yen	(2,252) yen	3,823 yen	17,405 yen	70,053 yen
	Net asset value per unit	F	260,795 yen	255,212 yen	256,013 yen	256,344 yen	263,538 yen	263,592 yen	264,149 yen	299,627 yen	299,737 yen
	Adjusted net asset value per unit	E+F=G	258,800 yen	255,571 yen	256,900 yen	252,379 yen	259,923 yen	261,340 yen	267,973 yen	317,032 yen	337,506 yen
	Unit price at the end of period	H	265,000 yen	255,500 yen	296,000 yen	324,000 yen	415,000 yen	437,500 yen	437,500 yen	457,500 yen	510,000 yen
	H/G		1.02 times	1.00 times	1.15 times	1.28 times	1.60 times	1.67 times	1.63 times	1.44 times	1.35 times

		Mar. '07 Period	Sep. '07 Period	Mar. '08 Period	Sep. '08 Period	Mar. '09 Period	Sep. '09 Period	Mar. '10 Period	Sep. '10 Period	Mar. '11 Period	Sep. '11 Period
<Reference>	Appraisal value at the end of period	A	498,741	531,100	619,160	644,700	636,770	591,920	645,239	632,112	642,220
	Book value	B	427,013	431,463	503,376	525,503	544,245	540,709	614,734	614,593	628,689
	Unrealized gain or loss	A-B=C	71,727	99,636	115,783	119,196	92,524	51,210	30,504	17,518	13,530
	Unrealized gain or loss ratio	C/B	16.8%	23.1%	23.0%	22.7%	17.0%	9.5%	5.0%	2.9%	2.2%
	Units outstanding	D	820,000 units	820,000 units	886,000 units	886,000 units	886,000 units	886,000 units	978,400 units	978,400 units	978,400 units
	Unrealized gain or loss per unit	C/D=E	87,472 yen	121,507 yen	130,681 yen	134,533 yen	104,429 yen	57,799 yen	31,177 yen	17,905 yen	13,828 yen
	Net asset value per unit	F	331,545 yen	332,035 yen	350,504 yen	345,429 yen	345,403 yen	345,492 yen	340,585 yen	339,877 yen	339,385 yen
	Adjusted net asset value per unit	E+F=G	419,018 yen	453,543 yen	481,186 yen	479,962 yen	449,832 yen	403,291 yen	371,763 yen	357,783 yen	353,213 yen
	Unit price at the end of period	H	780,000 yen	690,000 yen	580,000 yen	418,000 yen	378,000 yen	367,000 yen	398,500 yen	379,500 yen	393,500 yen
	H/G		1.86 times	1.52 times	1.21 times	0.87 times	0.84 times	0.91 times	1.07 times	1.06 times	1.11 times

		Mar. '12 Period	Sep. '12 Period	Mar. '13 Period	Sep. '13 Period	Mar. '14 Period	Sep. '14 Period	Mar. '15 Period	Sep. '15 Period	Mar. '16 Period	Sep. '16 Period	Mar. '17 Period
<Reference>	Appraisal value at the end of period	A	693,230	712,888	758,210	775,147	829,152	843,367	912,125	977,666	996,828	1,042,319
	Book value	B	681,970	700,829	739,901	748,257	789,543	786,106	829,449	869,034	861,360	872,534
	Unrealized gain or loss	A-B=C	11,259	12,058	18,308	26,889	39,608	57,260	82,675	108,631	135,467	169,784
	Unrealized gain or loss ratio	C/B	1.7%	1.7%	2.5%	3.6%	5.0%	7.3%	10.0%	12.5%	15.7%	19.5%
	Units outstanding	D	1,098,080 units	1,098,080 units	1,188,280 units	1,188,280 units	1,188,280 units	1,251,530 units	1,251,530 units	1,309,310 units	1,309,310 units	1,309,310 units
	Unrealized gain or loss per unit	C/D=E	10,253 yen	10,981 yen	15,407 yen	22,629 yen	33,332 yen	45,752 yen	66,059 yen	82,968 yen	103,464 yen	129,674 yen
	Net asset value per unit	F	339,565 yen	339,164 yen	341,065 yen	341,178 yen	341,128 yen	348,871 yen	348,909 yen	358,026 yen	358,238 yen	358,661 yen
	Adjusted net asset value per unit	E+F=G	349,818 yen	350,145 yen	356,472 yen	363,807 yen	374,461 yen	394,623 yen	414,969 yen	440,995 yen	461,702 yen	488,335 yen
	Unit price at the end of period	H	364,500 yen	393,000 yen	644,500 yen	574,000 yen	518,000 yen	564,000 yen	565,000 yen	551,000 yen	650,000 yen	590,000 yen
	H/G		1.04 times	1.12 times	1.81 times	1.58 times	1.38 times	1.43 times	1.36 times	1.25 times	1.41 times	1.21 times

* Unrealized gain or loss means the difference between appraisal value and book value at the end of each period.

* Appraisal values at the end of period are survey values determined by institutional appraisers for Mar. '02 Period through Mar. '06 Period, or appraisal values determined by institutional appraisers for Sep. '06 Period through Mar. '17 Period, at the end of each period.

* As JRE implemented a 2-for-1 split of each investment unit as of January 1, 2014, the figures for Mar. '02 Period through Sep. '13 Period are taken the split into account.

Details of Appraisal Values at the End of Mar. '17 Period

(In million of yen)

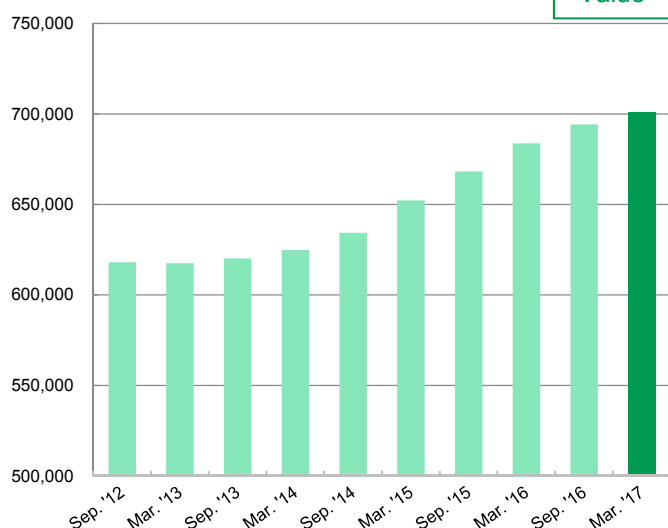
Name	Acquisition Price	Appraisal Value as of the End of Period															
		Sep. '16 Period					Mar. '17 Period					Change					
		Appraisal Value	DC		DCF		Appraisal Value	DC		DCF		Appraisal Value	Change In value	DC		DCF	
Cap Rate	Assessed CF		Discount Rate	Terminal Cap Rate	Cap Rate	Assessed CF		Discount Rate	Terminal Cap Rate	Cap Rate	Assessed CF			Discount Rate	Terminal Cap Rate		
Kitanomaru Square	81,555	78,600	3.50%	2,819	3.30%	3.70%	80,100	3.40%	2,786	3.20%	3.60%	1,500	1.9%	(0.10)%	(1.2)%	(0.10)%	(0.10)%
MD Kanda	9,520	8,360	3.70%	319	3.50%	3.90%	8,460	3.60%	313	3.40%	3.80%	100	1.2%	(0.10)%	(1.8)%	(0.10)%	(0.10)%
Kandabashi Park	4,810	4,580	3.80%	177	3.60%	4.00%	4,610	3.70%	173	3.50%	3.90%	30	0.7%	(0.10)%	(2.4)%	(0.10)%	(0.10)%
Otemachi FCN	15,462	18,800	3.10%	606	2.80%	3.20%	18,900	3.00%	584	2.70%	3.10%	100	0.5%	(0.10)%	(3.5)%	(0.10)%	(0.10)%
Nibancho Garden	14,700	17,900	4.00%	732	3.80%	4.20%	17,900	3.90%	713	3.70%	4.10%	0	0.0%	(0.10)%	(2.6)%	(0.10)%	(0.10)%
Mitsubishi UFJ Trust	44,700	51,600	3.00%	1,566	2.70%	3.10%	51,800	2.90%	1,526	2.60%	3.00%	200	0.4%	(0.10)%	(2.5)%	(0.10)%	(0.10)%
Burex Kojimachi	7,000	6,610	3.70%	251	3.50%	3.90%	6,880	3.60%	254	3.40%	3.80%	270	4.1%	(0.10)%	1.3%	(0.10)%	(0.10)%
Sanno Grand	20,900	33,300	3.70%	1,255	3.40%	3.80%	33,300	3.60%	1,219	3.30%	3.70%	0	0.0%	(0.10)%	(2.9)%	(0.10)%	(0.10)%
Yurakucho Denki	7,200	8,060	3.70%	305	3.50%	3.90%	8,080	3.50%	289	3.30%	3.70%	20	0.2%	(0.20)%	(5.3)%	(0.20)%	(0.20)%
Kodenmacho	3,173	2,880	4.20%	125	4.00%	4.40%	2,920	4.10%	123	3.90%	4.30%	40	1.4%	(0.10)%	(1.0)%	(0.10)%	(0.10)%
Kyodo (Kayabacho 2Chome)	4,410	4,920	3.80%	192	3.60%	4.00%	4,990	3.70%	190	3.50%	3.90%	70	1.4%	(0.10)%	(1.2)%	(0.10)%	(0.10)%
Burex Kyobashi	5,250	7,520	3.60%	276	3.40%	3.80%	7,660	3.50%	274	3.30%	3.70%	140	1.9%	(0.10)%	(0.9)%	(0.10)%	(0.10)%
Ginza 1Chome	6,459	7,220	3.70%	276	3.50%	3.90%	7,360	3.60%	273	3.40%	3.80%	140	1.9%	(0.10)%	(0.9)%	(0.10)%	(0.10)%
Ginza Sanwa	16,830	18,400	3.10%	591	3.00%	3.20%	18,400	2.90%	544	2.90%	2.90%	0	0.0%	(0.20)%	(7.8)%	(0.10)%	(0.30)%
Ryoshin Ginza EM	7,999	6,180	3.70%	237	3.50%	3.90%	6,260	3.60%	235	3.40%	3.80%	80	1.3%	(0.10)%	(1.1)%	(0.10)%	(0.10)%
Harumi Front	31,300	40,000	4.20%	1,685	3.90%	4.50%	40,900	4.10%	1,685	3.80%	4.40%	900	2.3%	(0.10)%	0.0%	(0.10)%	(0.10)%
Harumi Center	26,800	19,600	4.20%	852	4.00%	4.40%	19,600	4.10%	833	3.90%	4.30%	0	0.0%	(0.10)%	(2.2)%	(0.10)%	(0.10)%
Akasaka Park	60,800	70,100	3.60%	2,598	3.40%	3.80%	71,300	3.50%	2,553	3.30%	3.70%	1,200	1.7%	(0.10)%	(1.7)%	(0.10)%	(0.10)%
Aoyama Crystal	7,680	8,120	3.60%	300	3.40%	3.80%	8,120	3.50%	292	3.30%	3.70%	0	0.0%	(0.10)%	(2.7)%	(0.10)%	(0.10)%
Clover Shiba-koen	4,500	4,600	4.20%	196	3.90%	4.30%	4,610	4.10%	191	3.80%	4.20%	10	0.2%	(0.10)%	(2.4)%	(0.10)%	(0.10)%
Shiodome Building (existing units)	85,950	96,800	3.50%	3,497	3.30%	3.70%	97,200	3.40%	3,404	3.20%	3.60%	400	0.4%	(0.10)%	(2.7)%	(0.10)%	(0.10)%
Shiba 2Chome Daimon	4,859	6,470	4.20%	282	4.00%	4.40%	6,670	4.10%	287	3.90%	4.30%	200	3.1%	(0.10)%	1.7%	(0.10)%	(0.10)%
Cosmo Kanasugibashi	2,808	3,090	4.20%	132	4.00%	4.40%	3,170	4.10%	132	3.90%	4.30%	80	2.6%	(0.10)%	0.4%	(0.10)%	(0.10)%
Shinjuku Eastside (existing units)	23,100	25,900	4.10%	1,066	3.70%	4.20%	26,100	4.00%	1,046	3.60%	4.10%	200	0.8%	(0.10)%	(1.9)%	(0.10)%	(0.10)%
Shinwa	7,830	6,970	3.90%	280	3.70%	4.10%	7,040	3.80%	275	3.60%	4.00%	70	1.0%	(0.10)%	(1.6)%	(0.10)%	(0.10)%
Tokyo Opera City	31,776	32,500	3.90%	1,354	3.70%	4.10%	33,700	3.80%	1,357	3.60%	4.00%	1,200	3.7%	(0.10)%	0.2%	(0.10)%	(0.10)%
TIX UENO	22,000	24,800	3.90%	986	3.70%	4.10%	25,000	3.80%	968	3.60%	4.00%	200	0.8%	(0.10)%	(1.9)%	(0.10)%	(0.10)%
Higashi-Gotanda 1Chome	5,500	6,070	4.00%	245	3.70%	4.10%	6,140	3.90%	241	3.60%	4.00%	70	1.2%	(0.10)%	(1.5)%	(0.10)%	(0.10)%
Osaki Front Tower	12,300	16,500	4.20%	929	4.00%	4.40%	16,600	4.10%	929	3.90%	4.30%	100	0.6%	(0.10)%	0.0%	(0.10)%	(0.10)%
Omori-Eki Higashiguchi	5,123	5,600	4.60%	270	4.40%	4.80%	5,700	4.50%	263	4.30%	4.70%	100	1.8%	(0.10)%	(2.7)%	(0.10)%	(0.10)%
Shinjuku South Gate Project (tentative name) (Land with leasehold interest)	5,500	5,490	-	180	3.45%	-	5,490	-	171	3.40%	-	0	0.0%	-	(4.5)%	(0.05)%	-
Yoyogi 1Chome	8,700	11,600	3.70%	440	3.50%	3.90%	11,600	3.60%	428	3.40%	3.80%	0	0.0%	(0.10)%	(2.6)%	(0.10)%	(0.10)%
da Vinci Harajuku	4,885	7,100	3.90%	278	3.60%	4.00%	7,100	3.80%	271	3.50%	3.90%	0	0.0%	(0.10)%	(2.6)%	(0.10)%	(0.10)%
Jingumae MS	12,200	10,500	3.50%	379	3.30%	3.70%	10,100	3.40%	355	3.20%	3.60%	(400)	(3.8)%	(0.10)%	(6.2)%	(0.10)%	(0.10)%
Shibuya Cross Tower	34,600	52,300	3.50%	1,883	3.30%	3.70%	52,700	3.40%	1,838	3.20%	3.60%	400	0.8%	(0.10)%	(2.4)%	(0.10)%	(0.10)%
Ebisu Neonato	14,612	16,500	3.70%	632	3.50%	3.90%	16,900	3.60%	628	3.40%	3.80%	400	2.4%	(0.10)%	(0.6)%	(0.10)%	(0.10)%
Harmony Tower	11,120	13,900	4.10%	594	3.90%	4.30%	14,000	4.00%	585	3.80%	4.20%	100	0.7%	(0.10)%	(1.5)%	(0.10)%	(0.10)%
Otsuka Higashi-Ikebukuro	3,541	4,480	5.00%	226	4.70%	5.10%	4,530	4.90%	223	4.60%	5.00%	50	1.1%	(0.10)%	(1.1)%	(0.10)%	(0.10)%
Ikebukuro 2Chome	1,728	1,700	4.60%	79	4.40%	4.80%	1,700	4.50%	77	4.30%	4.70%	0	0.0%	(0.10)%	(2.6)%	(0.10)%	(0.10)%
Ikebukuro YS	4,500	4,800	4.40%	216	4.20%	4.60%	5,100	4.30%	225	4.10%	4.50%	300	6.3%	(0.10)%	4.2%	(0.10)%	(0.10)%
Hachioji First	5,679	4,810	4.90%	246	4.70%	5.10%	4,900	4.80%	245	4.60%	5.00%	90	1.9%	(0.10)%	(0.3)%	(0.10)%	(0.10)%
Saitama Urawa	2,574	2,420	5.00%	125	4.80%	5.20%	2,480	4.90%	125	4.70%	5.10%	60	2.5%	(0.10)%	(0.3)%	(0.10)%	(0.10)%
MM Park	37,400	39,800	4.30%	1,735	4.10%	4.50%	39,800	4.20%	1,696	4.00%	4.40%	0	0.0%	(0.10)%	(2.2)%	(0.10)%	(0.10)%
Queen's	17,200	20,000	4.40%	890	4.10%	4.70%	20,600	4.30%	894	4.00%	4.60%	600	3.0%	(0.10)%	0.5%	(0.10)%	(0.10)%
Kawasaki Isago	3,375	2,610	4.90%	130	4.70%	5.10%	2,680	4.80%	130	4.60%	5.00%	70	2.7%	(0.10)%	(0.2)%	(0.10)%	(0.10)%
Musashi Kosugi STM	4,000	4,210	4.80%	203	4.60%	5.00%	4,260	4.70%	200	4.50%	4.90%	50	1.2%	(0.10)%	(1.3)%	(0.10)%	(0.10)%
8-3 Square Kita	7,100	7,700	5.10%	398	4.90%	5.30%	7,940	4.90%	393	4.70%	5.10%	240	3.1%	(0.20)%	(1.2)%	(0.20)%	(0.20)%
Jozenji Park	1,000	998	5.70%	58	5.50%	5.90%	999	5.60%	57	5.40%	5.80%	1	0.1%	(0.10)%	(1.7)%	(0.10)%	(0.10)%
Higashi Nibancho	9,950	13,700	5.10%	681	4.90%	5.30%	13,500	5.00%	659	4.80%	5.20%	(200)	(1.5)%	(0.10)%	(3.3)%	(0.10)%	(0.10)%
Sendai Honma	3,174	2,430	5.40%	137	5.20%	5.60%	2,430	5.30%	134	5.10%	5.50%	0	0.0%	(0.10)%	(2.2)%	(0.10)%	(0.10)%
AER	18,640	19,000	4.30%	853	4.10%	4.50%	19,400	4.20%	841	4.00%	4.40%	400	2.1%	(0.10)%	(1.4)%	(0.10)%	(0.10)%
Kanazawa Park	4,580	4,680	5.90%	279	5.70%	6.10%	4,880	5.80%	283	5.60%	6.00%	200	4.3%	(0.10)%	1.3%	(0.10)%	(0.10)%
Nishiki Park	5,975	5,030	5.10%	266	4.90%	5.30%	5,040	5.00%	261	4.80%	5.20%	10	0.2%	(0.10)%	(2.1)%	(0.10)%	(0.10)%
Hirokoji Place	8,567	10,600	4.50%	481	4.30%	4.70%	10,700	4.40%	473	4.20%	4.60%	100	0.9%	(0.10)%	(1.6)%	(0.10)%	(0.10)%
Nagoya Hirokoji	14,533	12,600	4.70%	606	4.50%	4.90%	12,700	4.60%	611	4.40%	4.80%	100	0.8%	(0.10)%	0.9%	(0.10)%	(0.10)%
Nagoya Misono	1,865	1,270	5.10%	66	4.90%	5.30%	1,280	5.00%	64	4.80%	5.20%	10	0.8%	(0.10)%	(2.0)%</		

Historical Appraisal Values and NCF

50 properties of JRE's portfolio with constantly held ownership without increase or decrease of share between the end of Sep. '12 Period through the end of Mar. '17 Period.

Overall

Value



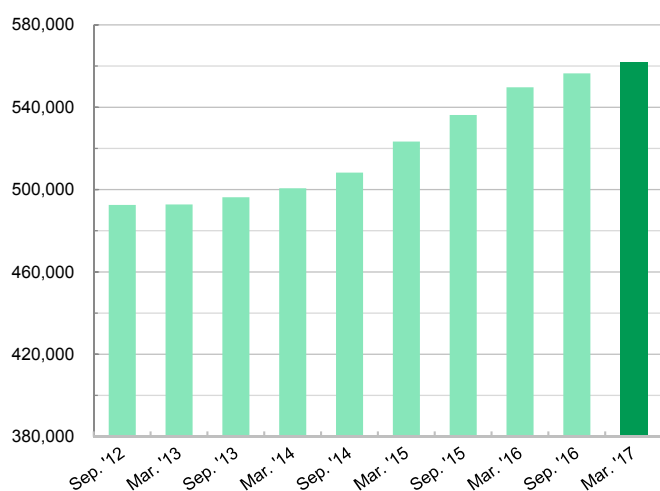
(Value and NCF: In millions of yen)

NCF and Yield

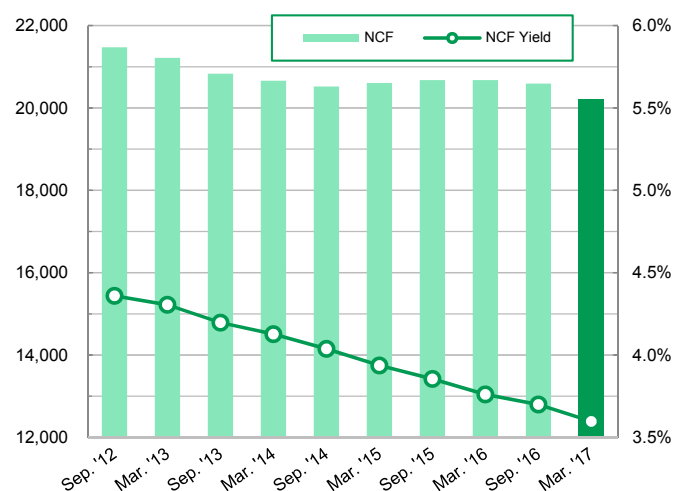


Tokyo 23 Wards

Value

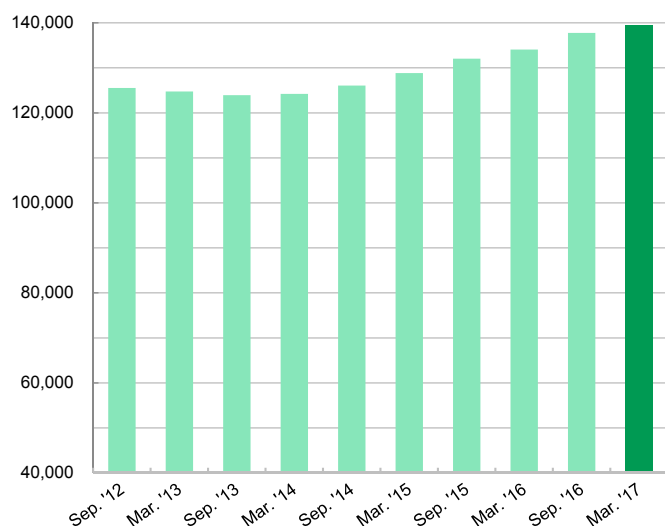


NCF and Yield

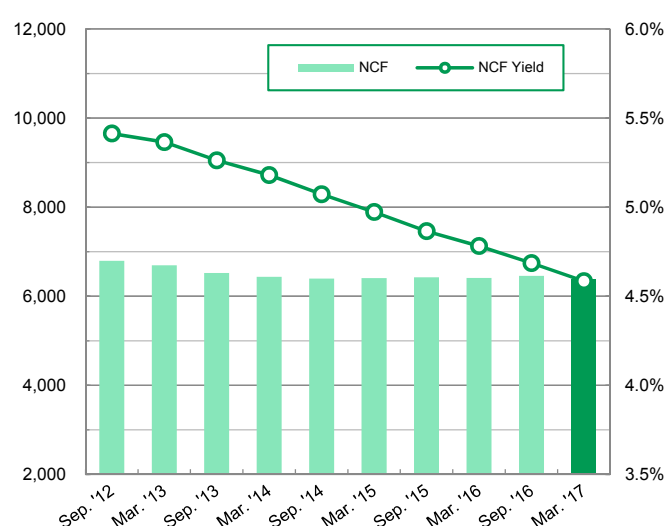


Other Areas

Value



NCF and Yield



*Value: Calculated using direct capitalization (DC) method based on appraisal value as of the end of each period

*NCF: Net cash flow in the above DC method

*Yield: annualized NCF / Value

Performance (Operating Results) of Each Property for Mar. '17 Period

(In millions of yen)

Property Name	Performance (October 1, 2016 – March 31, 2017)												
	Property-related Revenues	Property-related Expenses								(2) Property-related Profits and Losses	(3) NOI ((1) + (2))	(4) Capex	NCF ((3) - (4))
			Property Management Expenses	Utilities Expenses	Property and Other Taxes	Casualty Insurance	Repairing Expenses	Depreciation (1)	Other Expenses				
Genki Medical Plaza	145	49	7	9	17	0	0	13	1	95	109	-	109
Kitanomaru Square	1,714	772	140	64	94	2	59	411	-	941	1,353	19	1,333
MD Kanda	225	86	17	19	20	0	1	28	-	138	166	4	162
Kandabashi Park	114	42	1	-	16	0	6	17	-	71	88	10	78
Otemachi FCN	344	174	26	16	45	0	0	86	-	169	256	-	256
Nibancho Garden	477	244	60	21	53	0	18	90	-	232	322	6	316
Mitsubishi UFJ Trust	989	366	53	45	135	1	17	112	0	623	735	37	698
Burex Kojimachi	152	79	-	-	13	0	2	62	-	72	135	15	119
Sanno Grand	911	427	103	47	105	1	90	76	2	483	560	208	351
Yurakucho Denki	267	129	32	17	41	0	7	30	-	137	167	36	131
Kodenmachi	114	53	14	8	11	0	1	13	3	61	74	4	70
Kyodo (Kayabacho 2Chome)	142	54	9	10	11	0	0	21	-	87	109	2	106
Burex Kyobashi	157	56	-	-	11	0	4	39	-	101	141	10	131
Ginza 1Chome	175	95	12	7	11	0	2	60	-	80	141	0	140
Ginza Sanwa	375	135	28	15	65	0	4	22	0	239	261	35	225
Ryoshin Ginza EM	162	82	14	11	14	0	1	39	-	79	119	7	111
Harumi Front	1,220	638	105	96	75	1	0	358	-	581	940	-	940
Harumi Center	505	379	75	34	47	1	10	209	-	126	336	-	336
Akasaka Park	2,211	1,266	231	234	273	4	135	388	-	945	1,333	247	1,086
Aoyama Crystal	217	89	13	14	29	0	5	26	-	127	153	9	144
Clover Shiba-koen	93	49	8	5	6	0	5	22	-	43	66	0	65
Shiodome	1,899	792	150	118	142	2	37	333	7	1,107	1,440	10	1,430
Shiba 2Chome Daimon	276	204	40	22	38	0	65	35	0	72	107	25	82
Cosmo Kanasugibashi	108	46	12	6	13	0	1	13	0	61	74	1	73
Tamachi Front	1	5	0	-	0	0	-	5	0	(3)	1	-	1
Shinjuku Eastside	743	296	48	45	49	1	2	148	-	447	596	-	596
Shinwa	217	100	18	19	19	0	15	26	-	117	144	144	0
Tokyo Opera City	1,505	1,133	Undisclosed	Undisclosed	Undisclosed	Undisclosed	Undisclosed	Undisclosed	Undisclosed	371	Undisclosed	113	Undisclosed
TIX UENO	627	379	62	38	38	1	3	234	-	247	481	1	480
Higashi-Gotanda 1Chome	183	87	13	15	14	0	2	42	-	95	138	11	127
Osaki Front Tower	702	490	67	41	27	0	4	256	92	212	468	4	464
Omori-Eki Higashiguchi	234	134	27	21	25	0	25	34	0	99	134	83	50
Shinjuku South Gate Project (tentative name) (Land with leasehold interest)	60	20	-	-	20	-	-	-	-	39	39	-	39
Yoyogi 1Chome	302	154	23	18	23	0	20	68	-	148	216	-	216
da Vinci Harajuku	198	65	10	10	16	0	12	14	-	133	148	68	79
Jingumae MS	220	145	33	15	45	0	11	38	0	74	113	52	60
Shibuya Cross Tower	1,440	938	161	122	123	2	94	431	1	501	933	169	764
Ebisu Neonato	465	214	55	19	37	1	7	93	-	250	343	69	274
Harmony Tower	454	273	149	-	57	1	12	53	-	180	234	-	234
Otsuka Higashi-Ikebukuro	189	97	20	21	12	0	2	39	-	91	131	26	105
Ikebukuro 2Chome	70	29	8	5	5	0	2	8	-	40	48	0	47
Ikebukuro YS	190	80	16	17	14	0	0	30	-	110	140	4	135
Hachioji First	239	129	50	4	26	1	13	33	-	109	143	10	133
Saitama Urawa	110	63	14	7	9	0	14	17	-	47	64	28	36
MM Park	1,291	720	138	159	78	1	48	293	0	570	864	0	863
Queen's	981	645	206	81	111	3	23	212	7	335	548	158	390
Kawasaki Isago	146	76	23	13	13	0	3	23	-	69	93	5	88
Musashi Kosugi STM	161	64	21	3	11	0	0	27	-	97	124	3	120
8-3 Square Kita	322	210	29	51	22	0	37	69	-	111	180	4	176
Jozenji Park	63	44	10	8	6	0	7	11	-	18	29	19	9
Higashi Nibancho	564	273	61	45	39	0	9	116	-	290	407	2	404
Sendai Honma	128	69	17	12	15	0	6	17	0	58	75	6	69
AER	628	361	88	44	62	0	2	161	0	267	429	0	428
Kanazawa Park	495	310	102	57	64	1	15	67	1	184	251	119	131
Kanazawa Kamitsutsumicho	124	80	17	9	0	0	1	51	0	44	95	-	95
Nishiki Park	267	179	56	22	23	0	15	54	6	87	141	61	80
Hirokoji Place	387	178	39	31	33	0	0	72	0	208	280	4	276
Nagoya Hirokoji	539	368	90	42	60	1	20	152	0	170	323	20	302
Nagoya Misono	71	54	10	5	6	0	3	28	0	16	45	19	26
Shijo Karasuma	189	113	23	13	11	0	4	59	-	76	135	2	133
Umeda Square	457	253	47	35	46	0	40	82	-	203	286	134	151
Shin-Fujita	699	535	90	92	75	1	46	227	0	164	391	168	222
Sakaisujihonmachi	220	164	42	26	35	0	35	23	-	56	79	104	(24)
Midosuji Daiwa	530	272	62	43	73	1	21	69	-	257	327	395	(67)
Amagasaki Front	437	239	64	27	25	0	1	118	-	198	316	2	314
Lit City	250	141	29	18	19	1	6	65	-	109	175	0	174
NHK Hiroshima	261	178	50	22	23	0	9	47	24	83	130	87	43
Tosei Tenjin	76	42	12	6	7	0	4	10	-	33	44	3	41
Tenjin Crystal	156	122	22	15	18	0	2	61	0	34	95	4	91
Hinode Tenjin	170	75	21	17	14	0	2	20	0	94	115	25	89
Total	30,784	16,939	3,737	2,383	2,925	58	1,113	6,526	193	13,845	20,372	2,842	17,529

* At the request of the co-owners of Tokyo Opera City Building, the breakdown of Property-related Expenses, NOI-NCF are not disclosed.

* Capex represents construction cost corresponding to capital expenditure during the period (excluding the brokerage fees related to real estate acquisition, incidental expenses of acquisition such as real-estate acquisition tax, which are reflected in the book value and expenses and furniture capitalized as construction in progress).

Other Portfolio Information for Mar. '17 Period

(As of March 31, 2017)

Area		Name	Floor Area (Whole Building) (㎡)	Acquisition Date	Additional Acquisition Date	Ownership	Property Management Company	
Tokyo 23 Wards	Chiyoda	Kitanomaru Square	57,279.20	02/24/06	-	100.0%	Mitsubishi Jisho Property Management Co., Ltd.	
		MD Kanda	8,185.11	05/31/02	-	100.0%	Mitsui & Co. Foresight Ltd.	
		Kandabashi Park	9,370.25	08/15/02	-	56.76%	Mitsubishi Estate Co., Ltd.	
		Otemachi FCN	239,769.07	03/31/14	-	3.3852192%	NTT Urban Development Building Service Corporation	
		Nibancho Garden	57,031.06	04/01/05	-	31.345%	The Dai-Ichi Building Co., Ltd.	
		Mitsubishi UFJ Trust	108,171.67	03/28/07	-	19.38402%	Mitsubishi Estate Co., Ltd.	
		Burex Kojimachi	6,526.64	07/29/05	-	100.0%	Space Design, Inc.	
		Sanno Grand	33,875.95	01/31/05	04/03/06	99.0%	Mitsubishi Estate Co., Ltd.	
	Chuo	Yurakucho Denki	70,287.65	08/01/03	-	10.78%	Yuden Building Kanri Co., Ltd.	
		Kodenmachi	5,822.88	09/25/01	-	100.0%	The Dai-Ichi Building Co., Ltd.	
		Kyodo (Kayabacho 2Chome)	5,505.80	03/01/11	-	100.0%	Mitsui & Co. Foresight Ltd.	
		Burex Kyobashi	5,470.54	07/22/02	-	100.0%	Space Design, Inc.	
		Ginza 1Chome	4,976.85	03/02/15	-	100.0%	Mitsubishi Jisho Property Management Co., Ltd.	
		Ginza Sanwa	8,851.00	03/10/05	-	70.95%	Mitsubishi Jisho Property Management Co., Ltd.	
		Ryoshin Ginza EM	5,751.68	03/15/05	05/24/10	100.0%	The Dai-Ichi Building Co., Ltd. (*a)	
		Harumi Front	45,458.90	01/07/13	-	100.0%	Mitsubishi Estate Co., Ltd.	
		Harumi Center	26,447.27	12/18/07	-	100.0%	Mitsubishi Estate Co., Ltd.	
		Minato	Akasaka Park	97,489.16	11/15/11	-	100.0%	Mitsubishi Estate Co., Ltd.
			Aoyama Crystal	8,094.36	03/14/03	-	100.0%	XYMAX ALPHA Corporation
			Clover Shiba-koen	3,496.01	01/20/15	-	100.0%	Mitsubishi Jisho Property Management Co., Ltd.
	Shiodome		115,930.83	12/19/08	01/15/10 05/01/15 03/30/17	50.0%	Mitsubishi Jisho Property Management Co., Ltd.	
	Shiba 2Chome Daimon		16,235.10	09/10/01	-	100.0%	Tokio Marine & Nichido Facilities, Inc.	
	Cosmo Kanasugibashi		5,420.93	09/25/01	-	100.0%	The Dai-Ichi Building Co., Ltd.	
	Tamachi Front		5,747.80	03/30/17	-	100.0%	Mitsubishi Estate Co., Ltd.	
	Shinjuku		Shinjuku Eastside	167,245.46	10/01/14	01/25/17	17.6%	Mitsubishi Estate Co., Ltd.
		Shinwa	8,291.69	09/01/04	-	100.0%	Tokio Marine & Nichido Facilities, Inc.	
		Tokyo Opera City	232,996.81	09/13/05	03/24/10	31.325%	Tokyo Opera City Building Co., Ltd.	
		Taito	TIX UENO	23,727.48	06/15/12	-	94.040229%	The Dai-Ichi Building Co., Ltd. (*a)
	Shinagawa	Higashi-Gotanda 1Chome	6,460.39	11/01/04	-	100.0%	Sohgo Housing Co., Ltd (*a)	
		Osaki Front Tower	23,673.92	02/01/11	-	100.0%	Mitsubishi Estate Co., Ltd.	
	Ota	Omori-Eki Higashiguchi	14,095.34	09/10/01	-	100.0%	Tokio Marine & Nichido Facilities, Inc.	
	Shibuya	Yoyogi 1Chome	10,778.10	04/01/04	-	100.0%	Tokio Marine & Nichido Facilities, Inc.	
		da Vinci Harajuku	4,359.20	11/22/02	-	100.0%	XYMAX ALPHA Corporation	
		Jingumae MS	9,420.42	10/09/03	-	100.0%	The Dai-Ichi Building Co., Ltd. (*a)	
		Shibuya Cross Tower	61,862.33	11/30/01	-	100.0%	Mitsubishi Jisho Property Management Co., Ltd.	
		Ebisu Neonato	36,598.38	11/14/03	04/01/04 02/18/14	44.718394%	Mitsubishi Jisho Property Management Co., Ltd.	
	Nakano	Harmony Tower	72,729.31	02/28/05	12/19/12 03/27/15	38.382307%	Mitsubishi Jisho Property Management Co., Ltd.	
	Toshima	Otsuka Higashi-Ikebukuro	9,531.28	09/25/01	-	100.0%	Sohgo Housing Co., Ltd	
		Ikebukuro 2Chome	3,157.51	09/25/01	-	100.0%	Sohgo Housing Co., Ltd	
		Ikebukuro YS	7,464.64	08/02/04	-	100.0%	XYMAX ALPHA Corporation	
Other Areas	Hachioji	Hachioji First	18,329.98	03/31/05	03/19/08	80.4%	Sohgo Housing Co., Ltd	
	Saitama	Saitama Urawa	6,258.59	09/25/01	10/11/01	100.0%	The Dai-Ichi Building Co., Ltd.	
	Yokohama	MM Park	49,037.51	03/24/08	-	100.0%	Mitsubishi Estate Co., Ltd.	
		Queen's	498,282.77	01/31/14	-	11.11481%	Mitsubishi Estate Co., Ltd.	
	Kawasaki	Kawasaki Isago	9,623.83	09/25/01	-	100.0%	Sohgo Housing Co., Ltd	
		Musashi Kosugi STM	22,839.61	03/25/08	-	34.32%	Sohgo Housing Co., Ltd	
	Sapporo	8・3 Square Kita	16,096.97	06/01/07	-	100.0%	Mitsubishi Jisho Property Management Co., Ltd.	
	Sendai	Jozenji Park	7,648.33	01/31/05	-	50.0%	Mitsubishi Estate Co., Ltd.	
		Higashi Nibancho	27,680.45	01/07/13	-	100.0%	Mitsubishi Jisho Property Management Co., Ltd.	
		Sendai Honma	8,247.50	09/25/01	06/28/06	100.0%	The Dai-Ichi Building Co., Ltd.	
		AER	73,186.57	09/01/15	-	55.35443%	Mitsubishi Jisho Property Management Co., Ltd.	
	Kanazawa	Kanazawa Park	43,481.20	02/28/02	03/03/03	89.0%	Mitsubishi Estate Co., Ltd.	
		Kanazawa Kamitsutsumicho	9,619.96	10/03/16	-	100.0%	Mitsubishi Jisho Property Management Co., Ltd.	
	Nagoya	Nishiki Park	25,091.91	10/02/06	11/01/06 06/09/14 04/01/16	71.74301%	Mitsubishi Estate Co., Ltd.	
		Hirokoji Place	15,947.29	07/31/13	-	100.0%	The Dai-Ichi Building Co., Ltd. (*a)	
		Nagoya Hirokoji	33,377.73	09/10/01	-	100.0%	Mitsubishi Jisho Property Management Co., Ltd.	
		Nagoya Misono	5,348.00	08/08/03	-	100.0%	Mitsubishi Jisho Property Management Co., Ltd.	
		Shijo Karasuma	9,185.98	09/03/13	-	100.0%	Mitsubishi Jisho Property Management Co., Ltd.	
	Osaka	Umeda Square	18,673.28	04/01/15	-	100.0%	Mitsubishi Jisho Property Management Co., Ltd.	
		Shin-Fujita	45,411.31	09/01/08	-	100.0%	Mitsubishi Jisho Property Management Co., Ltd.	
		Sakaisujihonmachi	17,145.59	09/25/01	12/26/03	100.0%	The Dai-Ichi Building Co., Ltd.	
		Midosuji Daiwa	31,213.27	09/25/01	02/28/02	100.0%	The Dai-Ichi Building Co., Ltd.	
	Amagasaki	Amagasaki Front	24,055.58	03/25/15	-	100.0%	Mitsubishi Jisho Property Management Co., Ltd.	
	Okayama	Lit City	52,653.19	02/01/06	-	27.7488%	Taisei-Yuraku Real Estate Co.,Ltd.	
	Hiroshima	NHK Hiroshima	35,217.28	03/25/04	03/03/08	48.753%	Mitsubishi Estate Co., Ltd.	
	Fukuoka	Tosei Tenjin	5,588.57	09/25/01	-	100.0%	The Dai-Ichi Building Co., Ltd.	
		Tenjin Crystal	10,432.04	06/01/05	-	100.0%	The Dai-Ichi Building Co., Ltd.	
		Hinode Tenjin	12,527.07	09/10/01	-	74.4844%	Tokio Marine & Nichido Facilities, Inc.	

*Property management companies are the companies to be entrusted PM for the office units by JRE.

(*a) Property management company was changed to Mitsubishi Jisho Property Management Co., Ltd. on April 1, 2017.

Tokyo 23 Wards

Area	Name	Completion Date	PML
Chiyoda	Kitanomaru Square	01/2006	1.6%
	MD Kanda	02/1998	5.0%
	Kandabashi Park	07/1993	5.0%
	Otemachi FCN	10/2012	0.9%
	Nibancho Garden	04/2004	2.1%
	Mitsubishi UFJ Trust	02/2003	1.4%
	Burex Kojimachi	01/2005	4.1%
	Sanno Grand	09/1966	3.6%
	Yurakucho Denki	09/1975	3.7%
Chuo	Kodenmacho	11/1991	3.3%
	Kyodo (Kayabacho 2Chome)	04/1991	3.6%
	Burex Kyobashi	02/2002	4.7%
	Ginza 1Chome	05/2008	2.1%
	Ginza Sanwa	10/1982	3.7%
	Ryoshin Ginza EM	10/1998	2.8%
	Harumi Front	02/2012	2.0%
	Harumi Center	11/2006	3.5%
Minato	Akasaka Park	07/1993	1.4%
	Aoyama Crystal	12/1982	5.4%
	Clover Shiba-koen	02/2006	4.6%
	Shiodome	12/2007	1.4%
	Shiba 2Chome Daimon	03/1984	3.0%
	Cosmo Kanasugibashi	03/1992	7.3%
	Tamachi Front	07/2014	3.3%
Shinjuku	Shinjuku Eastside	03/2012	1.2%
	Shinwa	11/1989	7.0%
	Tokyo Opera City	07/1996	2.0%
Taito	TIX UENO	07/2010	2.0%
Shinagawa	Higashi-Gotanda 1Chome	07/2004	2.6%
	Osaki Front Tower	06/2005	3.4%
Ota	Omori-Eki Higashiguchi	07/1989	2.8%
Shibuya	Yoyogi 1Chome	10/2003	2.2%
	da Vinci Harajuku	12/1987	9.6%
	Jingumae MS	03/1998	3.3%
	Shibuya Cross Tower	04/1976	2.2%
	Ebisu Neonato	10/1994	2.4%
Nakano	Harmony Tower	03/1997	2.0%
Toshima	Otsuka Higashi-Ikebukuro	11/1987	6.1%
	Ikebukuro 2Chome	05/1990	3.4%
	Ikebukuro YS	12/1989	5.7%

Other Areas

Area	Name	Completion Date	PML
Hachioji	Hachioji First	07/1996	3.9%
Saitama	Saitama Urawa	03/1990	7.2%
Yokohama	MM Park	12/2007	4.0%
	Queen's	06/1997	3.3%
Kawasaki	Kawasaki Isago	12/1990	4.1%
	Musashi Kosugi STM	10/1990	3.8%
Sapporo	8・3 Square Kita	12/2006	1.6%
Sendai	Jozenji Park	01/1993	3.3%
	Higashi Nibancho	07/2008	1.8%
	Sendai Honma	11/1991	2.2%
	AER	03/1998	1.3%
Kanazawa	Kanazawa Park	10/1991	4.8%
	Kanazawa Kamitsutsumicho	08/2009	3.8%
Nagoya	Nishiki Park	08/1995	2.4%
	Hirokoji Place	12/2004	3.1%
	Nagoya Hirokoji	05/1987	2.4%
	Nagoya Misono	09/1991	4.1%
Kyoto	Shijo Karasuma	01/2010	11.7%
Osaka	Umeda Square	07/1995	7.4%
	Shin-Fujita	04/1995	4.0%
	Sakaisujihonmachi	10/1992	7.4%
	Midosuji Daiwa	09/1991	6.9%
Amagasaki	Amagasaki Front	10/2008	5.3%
Okayama	Lit City	06/2005	0.6%
Hiroshima	NHK Hiroshima	08/1994	1.1%
Fukuoka	Tosei Tenjin	03/1992	4.3%
	Tenjin Crystal	08/1993	3.1%
	Hinode Tenjin	08/1987	4.2%

*Completion date is the data of construction.

Portfolio PML

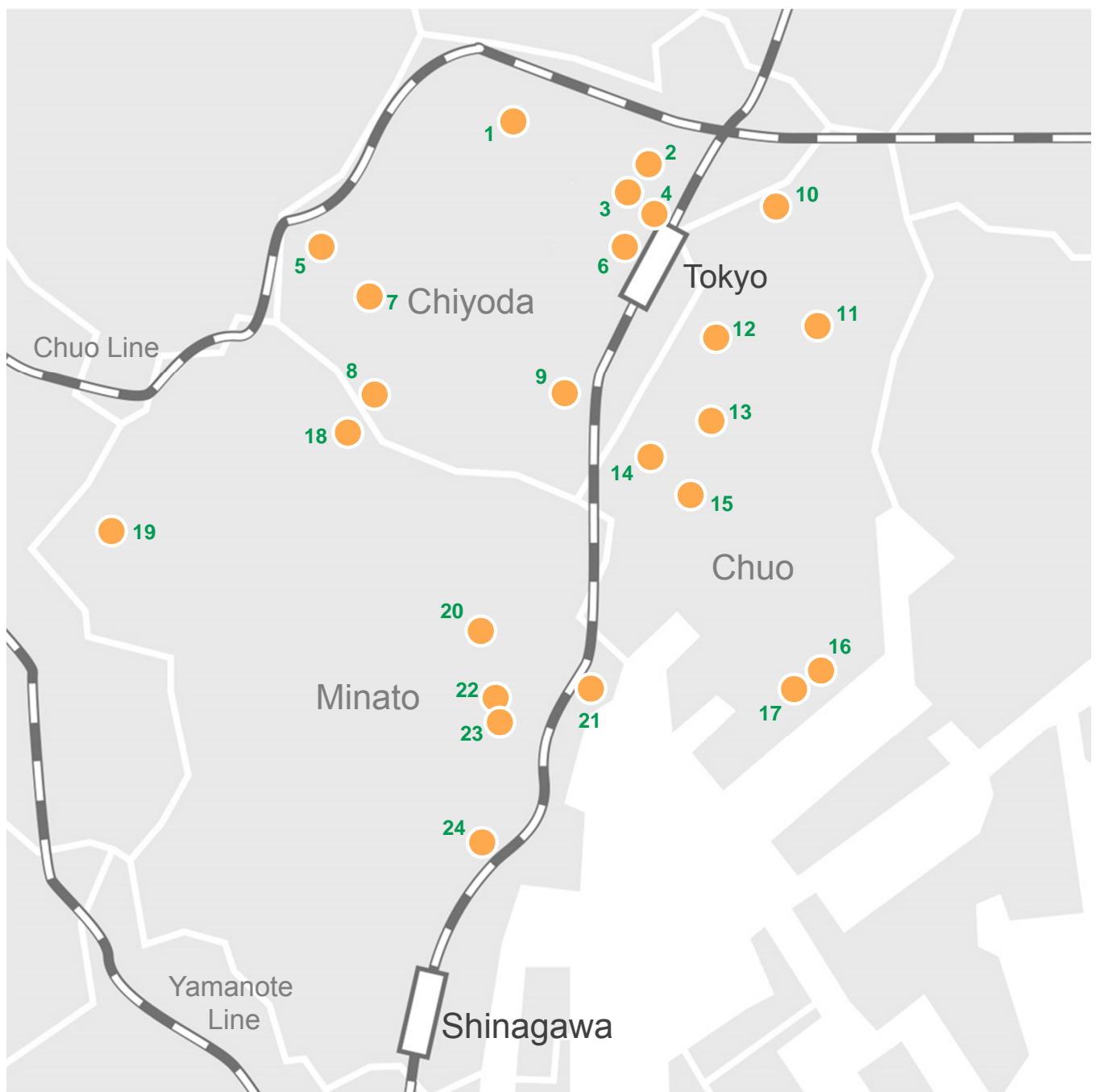
1.8%

PML (Probable Maximum Loss) : Percentage of Probable Maximum Loss due to Earthquake

The percentage of the expense in restoring an earthquake-struck building to pre-earthquake condition to the total replacement value (i.e., total expense incurred from an earthquake divided by replacement value of a building), when assuming a catastrophic earthquake that is likely to occur with a 10% probability over a span of 50 years (a 10% probability of an earthquake occurring in 50 years can be translated into one occurring once in 475 years, which means an earthquake with a recurrence span of 475 years or one that might occur once in 475 years).

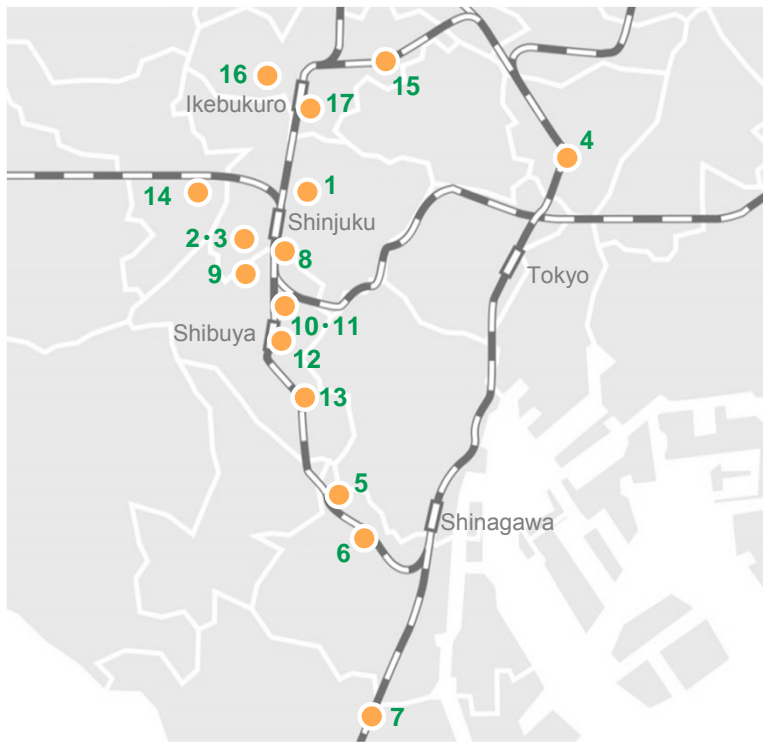
Tokyo 3 Central Wards

- | | |
|---|---------------------------------------|
| 1 Kitanomaru Square | 13 Ginza 1Chome East Building |
| 2 MD Kanda Building | 14 Ginza Sanwa Building |
| 3 Kandabashi Park Building | 15 Ryoshin Ginza East Mirror Building |
| 4 Otemachi Financial City North Tower | 16 Harumi Front |
| 5 Nibancho Garden | 17 Harumi Center Building |
| 6 Mitsubishi UFJ Trust and Banking Building | 18 Akasaka Park Building |
| 7 Burex Kojimachi Building | 19 Aoyama Crystal Building |
| 8 Sanno Grand Building | 20 Clover Shiba-koen |
| 9 Yurakucho Denki Building | 21 Shiodome Building |
| 10 Kodenmacho Shin-Nihonbashi Building | 22 Shiba 2Chome Daimon Building |
| 11 Kyodo Building (Kayabacho 2Chome) | 23 Cosmo Kanasugibashi Building |
| 12 Burex Kyobashi Building | 24 Tamachi Front Building |



23 Wards of Tokyo (excluding Tokyo 3 Central Wards)

As of March 31, 2017

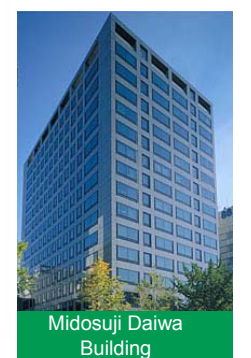


- 1 Shinjuku Eastside Square
- 2 Shinwa Building
- 3 Tokyo Opera City Building
- 4 TIXTOWER UENO
- 5 Higashi-Gotanda 1Chome Building
- 6 Osaki Front Tower
- 7 Omori-Eki Higashiguchi Building
- 8 Shinjuku South Gate Project (tentative name)
(Land with leasehold interest)
- 9 Yoyogi 1Chome Building
- 10 da Vinci Harajuku
- 11 Jingumae Media Square Building
- 12 Shibuya Cross Tower
- 13 Ebisu Neonato
- 14 Harmony Tower
- 15 Otsuka Higashi-Ikebukuro Building
- 16 Ikebukuro 2Chome Building
- 17 Ikebukuro YS Building



Other Areas

- 1 Hachioji First Square
- 2 Saitama Urawa Building
- 3 MM Park Building
- 4 Queen's Tower A
- 5 Kawasaki Isago Building
- 6 Musashi Kosugi STM Building
- 7 8·3 Square Kita Building
- 8 Jozenji Park Building
- 9 Higashi Nibancho Square
- 10 Sendai Honcho Honma Building
- 11 AER
- 12 Kanazawa Park Building
- 13 Kanazawa Kamitsutsumicho Building
- 14 Nishiki Park Building
- 15 Nagoya Hirokoji Place
- 16 Nagoya Hirokoji Building
- 17 Nagoya Misono Building
- 18 Shijo Karasuma Center Building
- 19 Umeda Square Building
- 20 Shin-Fujita Building
- 21 Sakaisujihonmachi Building
- 22 Midosuji Daiwa Building
- 23 Amagasaki Front Building
- 24 Lit City Building
- 25 NHK Hiroshima Broadcasting Center Building
- 26 Tosei Tenjin Building
- 27 Tenjin Crystal Building
- 28 Hinode Tenjin Building



Portfolio Classification by Area and Office Space

Floor Size by Area and Property

Blue Italic shows the properties acquired in Mar. '17 Period

Red Italic shows the transferred properties

(As of March 31, 2017)

Area Tsubo per Standard floor (Tsubo≒3.3㎡)	Area									Total Number of Buildings			
	Tokyo 23 Wards				Other Areas					Total Acquisition Price (¥mm) (%)			
	Tokyo 3 Central Wards		Other Area		Tokyo Metropolitan Area (excl.23 Wards)		Osaka / Kyoto / Kobe		Nagoya		Other		
450 -	Nibancho Garden	1,117	<i>Shinjuku Eastside</i>	1,789	MM Park	828			Kanazawa Park	625	18		
	<i>Shiodome</i>	1,059	Tokyo Opera City	653	Musashi Kosugi STM	619			Lit City	550	541,235		
	Otemachi FCN	709			Queen's	476			Amagasaki Front	517	(57.6%)		
	Harumi Front	693							Higashi Nibancho	468			
	Sanno Grand	666											
	Harumi Center	648											
	Akasaka Park	617											
	Kitanomaru Square	568											
	Mitsubishi UFJ Trust	537											
300 - 450	<i>Property E</i>		Harmony Tower	413	Hachioji First	335	Shin-Fujita	440	Hirokoji Place	421	8・3 Square Kita	373	15
	Yurakucho Denki	398	Ebisu Neonato	373			Midosuji Daiwa	341	Nagoya Hirokoji	333	AER	302	202,294
	Shiba 2Chome Daimon	352	Osaki Front Tower	368							NHK Hiroshima	301	(21.5%)
			TIX UENO	329									
			Shibuya Cross Tower	313									
200 - 300	Kandabashi Park	212	<i>Property H</i>		<i>Property B</i>		Sakaisujihonmachi	284	Nishiki Park	209	Hinode Tenjin	252	12
			Otsuka Higashi- Ikebukuro		273		Shijo Karasuma	264	<i>Kanazawa Kamitsutsumicho</i>	209	60,980		
			Ikebukuro YS		251		<i>Property J</i>				(6.5%)		
			Yoyogi 1Chome		230								
			Shinwa		227								
			Omori-Eki Higashiguchi		218								
			Higashi-Gotanda 1Chome		201								
150 - 200	Ginza Sanwa	198	<i>Property A</i>		Kawasaki Isago	197	Umeda Square	185	Nagoya Misono	157	Jozenji Park	191	15
	MD Kanda	198	Saitama Urawa		189			Sendai Honma	179	85,510			
	<i>Property K</i>				<i>Property C</i>				(9.1%)				
	Kyodo (Kayabacho 2Chome)	181						Tosei Tenjin	167				
	Burex Kyobashi	176											
	Ryoshin Ginza EM	173											
	Ginza 1Chome	160											
	Cosmo Kanasugibashi	160											
Kodenmacho	150												
100 - 150	<i>Tamachi Front</i>	141	Jingumae MS	146			<i>Property F</i>		<i>Property I</i>		<i>Property D</i>		6
	Burex Kojimachi	132	da Vinci Harajuku	117			Tenjin Crystal		112		42,975		
	Aoyama Crystal	117	<i>Property G</i>						(4.6%)				
- 100	Clover Shiba-koen	98	Ikebukuro 2Chome	74									2
													6,228 (0.7%)
Total Number of Buildings	24	16	6	5	4	13	68						
Total Acquisition Price (¥mm)	491,326	210,175	70,228	62,401	30,940	74,151	939,223						
(%)	(52.3%)	(22.4%)	(7.5%)	(6.6%)	(3.3%)	(7.9%)	(100.0%)						

- Balanced portfolio of properties, mostly large scale and competitive properties.
- The ratio of properties with standard floor area of 200 tsubo is approximately 85% on an acquisition price basis.

Portfolio Classification by Building Age and Location

Building Age and Walking Time from the Nearest Station

Blue Italic shows the properties acquired in Mar. '17 Period

Red Italic shows the transferred properties

shows properties conveniently located where multiple lines are available in Tokyo 23 Wards.

(As of March 31, 2017)

Time Building Age	Area								Total Number of Buildings	
	Tokyo 23 Wards				Other Areas				Total Acquisition Price (¥mm)	
	- 1 min. walk	1 - 5 min.	5 - 10 min.	10 min. -	- 1 min. walk	1 - 5 min.	5 - 10 min.	10 min. -	(%)	
- 10 years	Otemachi FCN <i>Shinjuku Eastside</i>	<i>Tamachi Front</i> TIX UENO Ginza 1Chome <i>Shiodome</i>	Harumi Front		Shijo Karasuma Higashi Nibancho MM Park	Amagasaki Front		<i>Kanazawa Kamitsutsumicho</i>	12 271,421 (28.9%)	
	Kitanomaru Square Burex Kojimachi Mitsubishi UFJ Trust MD Kanda Harmony Tower	Clover Shiba-koen Osaki Front Tower Higashi-Gotanda 1Chome Nibancho Garden Yoyogi 1Chome Burex Kyobashi Ryoshin Ginza EM Jingumae MS	Harumi Center		8・3 Square Kita Lit City Queen's	Hirokoji Place AER			19 308,001 (32.8%)	
	Tokyo Opera City Ebisu Neonato Kodenmachi Kyodo (Kayabacho 2Chome) <i>Property G</i> Omori-Eki Higashiguchi	Kandabashi Park Akasaka Park Otsuka Higashi-Ikebukuro Shinwa da Vinci Harajuku	Cosmo Kanasugibashi <i>Property A</i> Ikebukuro 2Chome Ikebukuro YS 		Hachioji First Nishiki Park NHK Hiroshima Sakaisujihonmachi Sendai Honma Midosuji Daiwa Musashi Kosugi STM	Umeda Square Shin-Fujita Tenjin Crystal Jozenji Park Kanazawa Park Nagoya Misono Kawasaki Isago Saitama Urawa <i>Property I</i> Hinode Tenjin Nagoya Hirokoji	Tosei Tenjin <i>Property F</i>	<i>Property B</i>	31 267,730 (28.5%)	
20 -30 years	<i>Property K</i> Ginza Sanwa Yurakucho Denki <i>Property E</i> Sanno Grand	Shiba 2Chome Daimon Aoyama Crystal Shibuya Cross Tower <i>Property H</i>				<i>Property J</i>		<i>Property D</i> <i>Property C</i>	6 92,069 (9.8%)	
	Total Number of Buildings	15	18	7	0	13	13	1	1	68
	Total Acquisition Price (¥mm)	303,143	318,508	79,851	0	120,776	112,614	1,550	2,780	939,223
(%)	(32.3%)	(33.9%)	(8.5%)	(0.0%)	(12.9%)	(12.0%)	(0.2%)	(0.3%)	(100.0%)	

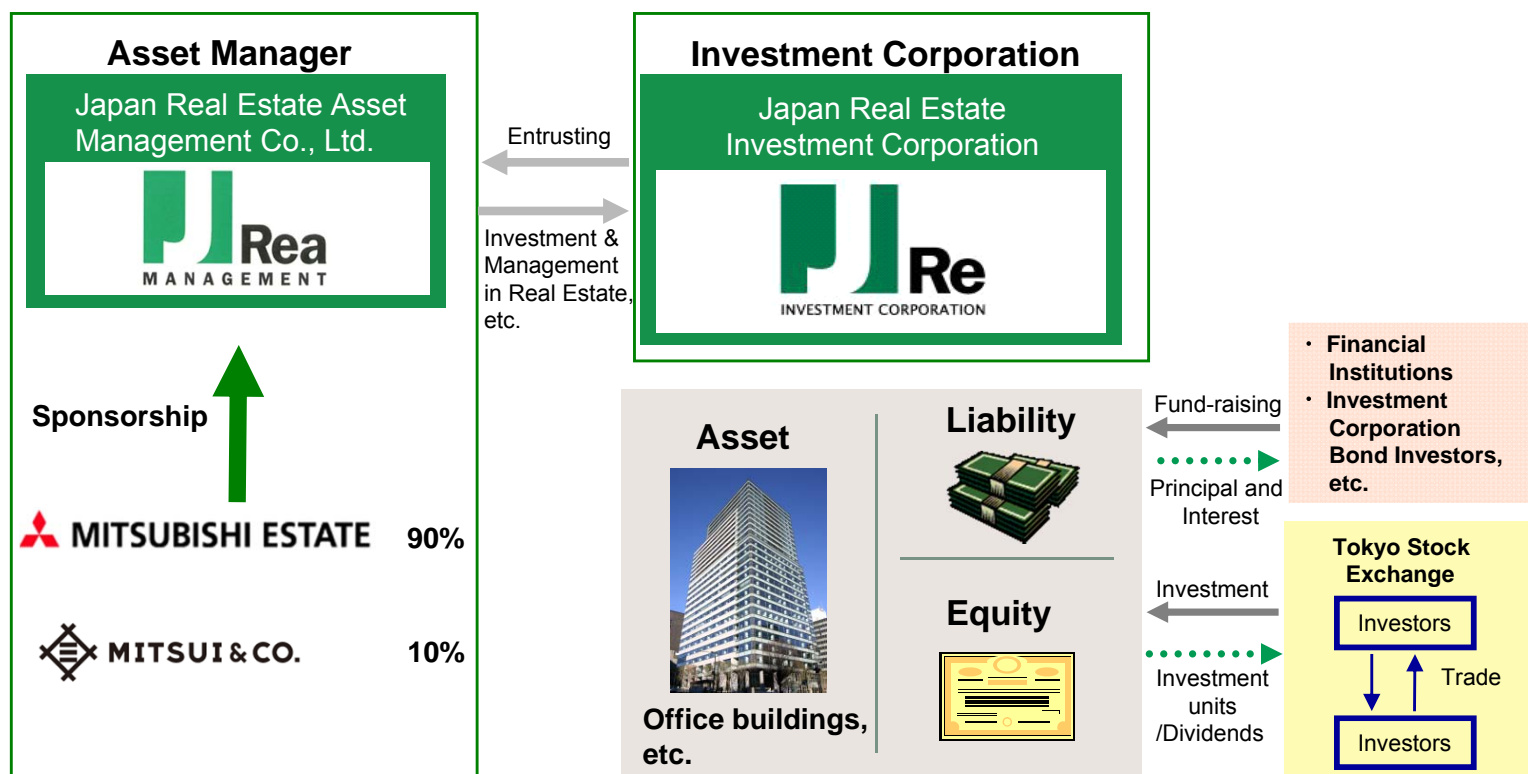
- Properties aged 10 years or less account for approx. 29% of the total properties (on an acquisition price basis).
- Approx. 91% of the total properties are located within a five-minute walk from the nearest station (on an acquisition price basis).

6

Others

Outline of Japan Real Estate Investment Corporation

Structure



Point

- J-Rea specializes in managing office building portfolio
- Expertise of Mitsubishi Estate and Mitsui & Co. is fully utilized
- Units are listed and traded on the Tokyo Stock Exchange
- Dividends are regarded as an expense if over 90% of the payable gain is paid out

The Strengths of Japan Real Estate Investment Corporation

(As of March 31, 2017)

① Collaboration with the sponsors:

Property pipeline support

- Providing properties
- Property information, etc.

Operating support

- Providing expertise to attract tenants
- Property management, etc.

Human resource support

- Sending experienced professionals

< Protection against conflicts of interest >

Compliance Committee including external expert serving as a protection against conflicts of interest.

② Investment Corporation focused on office buildings

(69 office buildings, total acquisition price: ¥944.7 billion*)

③ The first listed J-REIT, showing steady performance for 31 consecutive periods

④ Sound financial strength

- Maintain conservative interest-bearing debt/ total assets ratio at approximately 30-40%
- Highest level of credit ratings in J-REITs (S&P: A+, Moody's: A1, R&I: AA)

* not excluding the acquisition price related to the transfer of the part of Jingumae MS site

Structure of Fees to Asset Management Company

Until Mar. '17 Period

Term fee

Each amount calculated in the following formula is based on the current cash flow (CF).

$$\text{CF} = \text{Income or loss before income taxes} + (\text{Depreciation expenses and the amortization of deferred assets}) - (\text{Gain or loss on sales and valuation of Specified Assets})$$

Furthermore, calculation of the term fee shall be based on the CF before deduction of the relevant term and incentive fees.

[Formula]

For the portion of the CF that is not more than 2.5 billion yen, the amount equivalent to such portion is multiplied by 8.0%

For the portion of the CF that is more than 2.5 billion yen but not more than 4 billion yen, the amount equivalent to such portion is multiplied by 5.0%

For the portion of the CF that is more than 4 billion yen, the amount equivalent to such portion is multiplied by 3.0%

* Reduction in term-fee rates was agreed upon at the unitholders' meeting held on March 28, 2003. The new rates above apply from Sep. '03 Period.

Incentive fee

1. If (i) during the most recent six (6) consecutive fiscal periods, including the relevant fiscal period, the CF per unit for the fiscal period is equal to or larger than that of the previous fiscal period, and (ii) the CF per unit for the relevant fiscal period with respect to when the incentive fee is calculated, increases from that in the previous fiscal period, the following formula applies:

[Formula]

$$(\text{[CF per unit as of the last day of the relevant fiscal period]} - \text{[CF per unit as of the last day of the immediately preceding fiscal period]}) \times (\text{Total number of outstanding units as of the last day of the relevant fiscal period}) \times 30.0\%$$

2. If, although the requirement in (1) (i) above is not satisfied, such CF per unit exceeds the arithmetic average of the CF per unit during the most recent six fiscal periods and the requirement in (1) (ii) above is satisfied, the following formula applies:

[Formula]

$$(\text{[CF per unit as of the last day of the relevant fiscal period]} - \text{[Arithmetic average of the CF per unit during the most recent six fiscal periods, including the relevant fiscal period]}) \times (\text{Total number of outstanding units as of the last day of the relevant fiscal period}) \times 30.0\%$$

CF per unit shall be calculated by dividing the CF by the total number of outstanding units as at the end of each fiscal period; provided, however, that if either of the below events come into force and the total number of outstanding units increases or decreases during the most recent six fiscal periods including the relevant fiscal period, in order to exclude the effects on CF per unit by such increase or decrease in the number of units, the figure of CF per unit during the most recent six fiscal periods shall be adjusted and calculated.

(i) Consolidation or Split of Units

(ii) Issuance of New Units upon Exercise of New Units Acquisition Rights concerning Allotment without Consideration for Unitholders

If the Investment Corporation acquires own units and holds own units that are not disposed or canceled as at the end of each fiscal period, the figure obtained by subtracting the number of own units held from the total number of outstanding units as at the end of each fiscal period shall be deemed as the total number of outstanding units as at the end of each fiscal period.

Calculation of the incentive fee shall be based on the CF before deduction of any incentive fee.

* The structure of the incentive fee was revised in accordance with a resolution passed at the unitholders' meeting held on February 19, 2014 and March 17, 2015.

Acquisition fee

In the case of acquisition of Real Estate Assets or other Specified Assets, an amount equivalent to the purchase price (excluding the consumption and local consumption taxes imposed on buildings) multiplied by a rate no higher than 0.5%

* The structure of the acquisition fee was revised in accordance with a resolution passed at the unitholders' meeting held on March 17, 2009.

Disposition fee

In the case of disposition of Real Estate Assets or other Specified Assets, an amount equivalent to the sale price (excluding the consumption and local consumption taxes imposed on buildings) multiplied by a rate no higher than 0.5%

Merger fee

In the case of a merger by the Investment Corporation, an amount equivalent to the valuation of real estate, etc. at the time of the merger succeeded to by the investment corporation, which is a counterparty to the merger multiplied by a rate no higher than 0.5%

* The structure of the merger fee was established in accordance with a resolution passed at the unitholders' meeting held on February 19, 2014.

After Sep. '17 Period

NOI-linked fee

Amount equivalent to NOI (Net Operating Income) for the relevant fiscal period multiplied by 4.0%.

NOI: An amount obtained by deducting the property-related expenses (excluding depreciation expenses and loss on retirement of non-current assets) from the property-related revenues shown in the statement of income for the relevant fiscal period.

* The structure of the NOI-linked fee was established in accordance with a resolution passed at the unitholders' meeting held on March 28, 2017.

Distribution-linked fee

Amount calculated by the following formula based on the distributable amount (*a) and the dividend per unit (DPU) (*b) for the relevant fiscal period.

[Formula]

Distributable amount for the relevant fiscal period $\times 2.5\% \times (\text{DPU for the relevant fiscal period} / \text{the arithmetic average of DPU during the most recent six fiscal periods including the relevant fiscal period})$

(*a) Distributable Amount: Income before income taxes shown in the statement of income for the relevant fiscal period (which shall be an amount before deduction of the NOI-linked fee and distribution-linked fee, and non-deductible consumption taxes); or, if any retained loss brought forward exists, an amount after supplementation of such amount. If the figure is negative, the distributable amount shall be zero.

(*b) DPU: Calculated by dividing the distributable amount by the total number of outstanding units as at the end of each fiscal period.

If the Investment Corporation acquires own units and holds own units that are not disposed or canceled as at the end of each fiscal period, the figure excluding the number of own units held shall be deemed as the total number of outstanding units as at the end of each fiscal period.

In addition, if either of the below events occurs and the total number of outstanding units increases or decreases during the most recent six fiscal periods including the relevant fiscal period, in order to exclude the effects of such increase or decrease on DPU, the total number of outstanding units as at the end of each fiscal period during the most recent six fiscal periods shall be adjusted by the method stated below.

(i) Consolidation or Split of Units

A consolidation or split of units conducted during the most recent six fiscal periods, including the fiscal periods in which the effective date falls, shall be deemed to have occurred at the beginning of the most recent six fiscal periods including the relevant fiscal period, and the total number of outstanding units as at the end of each fiscal period shall be adjusted.

(ii) Issuance of New Units upon Exercise of New Units Acquisition Rights concerning Allotment without Consideration for Unitholders

The number of units resulting from multiplying the number of units increased by the issuance of new units by the ratio resulting from dividing the amount to be paid per unit at the time of the exercise of the new units acquisition rights by the market value per unit (or ratio which the Board of Directors prescribes according to such ratio) (in this paragraph, the "Deemed Number of Issuance of units at Market Value") shall be deemed as an issuance of new units at market value. The number of units resulting from subtracting the Deemed Number of Issuance of units at Market Value from the number of units increased upon the issuance of new units shall be deemed to be the increase caused by the split.

* The structure of the distribution-linked fee was established in accordance with a resolution passed at the unitholders' meeting held on March 28, 2017.

Acquisition fee

In the case of acquisition of Real Estate Assets or other Specified Assets an amount equivalent to the purchase price (excluding the consumption tax and local consumption tax imposed on buildings) multiplied by a rate no higher than 0.5%.

* The structure of the acquisition fee was revised in accordance with a resolution passed at the unitholders' meeting held on March 17, 2009.

Disposition fee

In the case of disposition of Real Estate Assets or other Specified Assets, an amount equivalent to the sale price (excluding the consumption tax and local consumption tax imposed on buildings) multiplied by a rate no higher than 0.5%.

Merger fee

In the case of a merger by the Investment Corporation, an amount equivalent to the valuation of real estate, etc. at the time of the merger succeeded to by the investment corporation, which is a counterparty to the merger multiplied by a rate no higher than 0.5%.

* The structure of the merger fee was established in accordance with a resolution passed at the unitholders' meeting held on February 19, 2014.

Past Record of Fees to Asset Management Company

	→New Asset Management Fee Rate (reduction)										(In millions of yen)		
	Mar. '02 Period	Sep. '02 Period	Mar. '03 Period	Sep. '03 Period	Mar. '04 Period	Sep. '04 Period	Mar. '05 Period	Sep. '05 Period	Mar. '06 Period	Sep. '06 Period	Mar. '07 Period	Sep. '07 Period	Mar. '08 Period
Term Fee (*a)	389	382	408	312	325	330	342	392	410	422	452	476	713
Incentive Fee (*a)	0	0	24	80	0	32	134	0	160	230	0	185	1,860
Acquisition Fee (*b)	649	88	185	90	192	213	464	180	475	33	134	71	386
Disposition Fee (*c)	0	0	0	0	0	0	0	0	0	20	154	8	0
Total AM Fee	1,038	470	617	484	518	576	941	573	1,046	707	741	741	2,960
Total Assets	161,809	185,397	200,022	209,581	244,523	257,372	322,358	355,968	433,552	441,163	443,973	449,643	527,537
Amount of Acquisition Price during the Period	144,697	19,580	19,265	9,065	25,830	21,390	50,683	36,050	86,205	12,630	49,850	7,100	72,029
Amount of Transfer Price during the Period	0	0	0	0	0	0	0	0	0	7,003	41,900	1,770	0
Term Fee/Total Assets	0.24%	0.21%	0.20%	0.15%	0.13%	0.13%	0.11%	0.11%	0.09%	0.10%	0.10%	0.11%	0.14%
Incentive Fee/Total Assets	-	-	0.01%	0.04%	-	0.01%	0.04%	-	0.04%	0.05%	-	0.04%	0.35%
Acquisition Fee/Amount of Acquisition Price during the Period	0.45%	0.45%	0.96%	1.00%	0.75%	1.00%	0.92%	0.50%	0.55%	0.26%	0.27%	1.00%	0.54%
Disposition Fee/Amount of Transfer Price during the Period	-	-	-	-	-	-	-	-	-	0.29%	0.37%	0.50%	-
Total AM Fee/Total Assets	0.64%	0.25%	0.31%	0.23%	0.21%	0.22%	0.29%	0.16%	0.24%	0.16%	0.17%	0.16%	0.56%

	→New Asset Management Fee Rate (change of acquisition fee)												
	Sep. '08 Period	Mar. '09 Period	Sep. '09 Period	Mar. '10 Period	Sep. '10 Period	Mar. '11 Period	Sep. '11 Period	Mar. '12 Period	Sep. '12 Period	Mar. '13 Period	Sep. '13 Period	Mar. '14 Period	Sep. '14 Period
Term Fee (*a)	531	537	540	529	542	538	546	579	571	592	613	617	638
Incentive Fee (*a)	0	0	0	0	0	0	0	0	0	0	8	57	0
Acquisition Fee (*b)	78	53	0	373	0	83	0	277	110	208	64	215	3
Disposition Fee (*c)	0	0	0	7	0	0	15	0	0	0	6	0	0
Total AM Fee	609	591	540	910	542	622	562	856	681	800	692	891	641
Total Assets	542,920	565,022	564,528	637,326	634,974	646,847	643,949	703,085	724,851	765,628	775,066	817,130	813,931
Amount of Acquisition Price during the Period	24,000	21,250	0	77,026	(*3) 0	16,710	0	60,800	22,000	41,770	12,967	43,174	650
Amount of Transfer Price during the Period	0	0	0	1,507	0	0	3,160	0	0	0	1,220	0	0
Term Fee/Total Assets	0.10%	0.10%	0.10%	0.08%	0.09%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%
Incentive Fee/Total Assets	-	-	-	-	-	-	-	-	-	-	0.00%	0.01%	-
Acquisition Fee/Amount of Acquisition Price during the Period	0.33%	0.25%	-	0.49%	-	0.50%	-	0.46%	0.50%	0.50%	0.50%	0.50%	0.50%
Disposition Fee/Amount of Transfer Price during the Period	-	-	-	0.50%	-	-	0.50%	-	-	-	0.50%	-	-
Total AM Fee/Total Assets	0.11%	0.10%	0.10%	0.14%	0.09%	0.10%	0.09%	0.12%	0.09%	0.10%	0.09%	0.11%	0.08%

	Mar. '15 Period	Sep. '15 Period	Mar. '16 Period	Sep. '16 Period	Mar. '17 Period	Average Sep. '03 Period~	
						Per Period	Per Year
Term Fee (*a)	647	687	697	707	715	536	1,072
Incentive Fee (*a)	124	238	235	256	245	137	275
Acquisition Fee (*b)	227	221	0	0	130	153	306
Disposition Fee (*c)	0	0	21	0	34	9	19
Total AM Fee	999	1,147	955	965	1,125	836	1,673
Total Assets	852,679	899,938	890,626	883,633	898,306	605,218 (*2)	
Amount of Acquisition Price during the Period	45,459	44,263	0	175	26,100	28,827	57,655
Amount of Transfer Price during the Period	0	0	4,366	0	6,890	2,422	4,844
Term Fee/Total Assets	0.08%	0.08%	0.08%	0.08%	0.08%	0.09%	0.18%
Incentive Fee/Total Assets	0.01%	0.03%	0.03%	0.03%	0.03%	0.02%	0.05%
Acquisition Fee/Amount of Acquisition Price during the Period	0.50%	0.50%	-	0.50%	0.50%	0.53%	0.53%
Disposition Fee/Amount of Transfer Price during the Period	-	-	0.50%	-	0.50%	0.40%	0.40%
Total AM Fee/Total Assets	0.12%	0.13%	0.11%	0.11%	0.13%	0.14%	0.28%

(*1) Accounting treatment of asset management fees

(*a) Expense (Administrative expenses)

(*b) Capitalized for asset

(*c) Expense (reflected in capital gain/loss as transfer expense)

(*2) Total assets are arithmetic average at the end of each period

(*3) On the chart above, acquisition of extended building of Ryoshin Ginza East Mirror Building is not included in 'Amount of Acquisition Price during the Period' since it is not subject to Acquisition Fee

Compliance Structure

Basic Principle of Compliance for the Investment Corporation

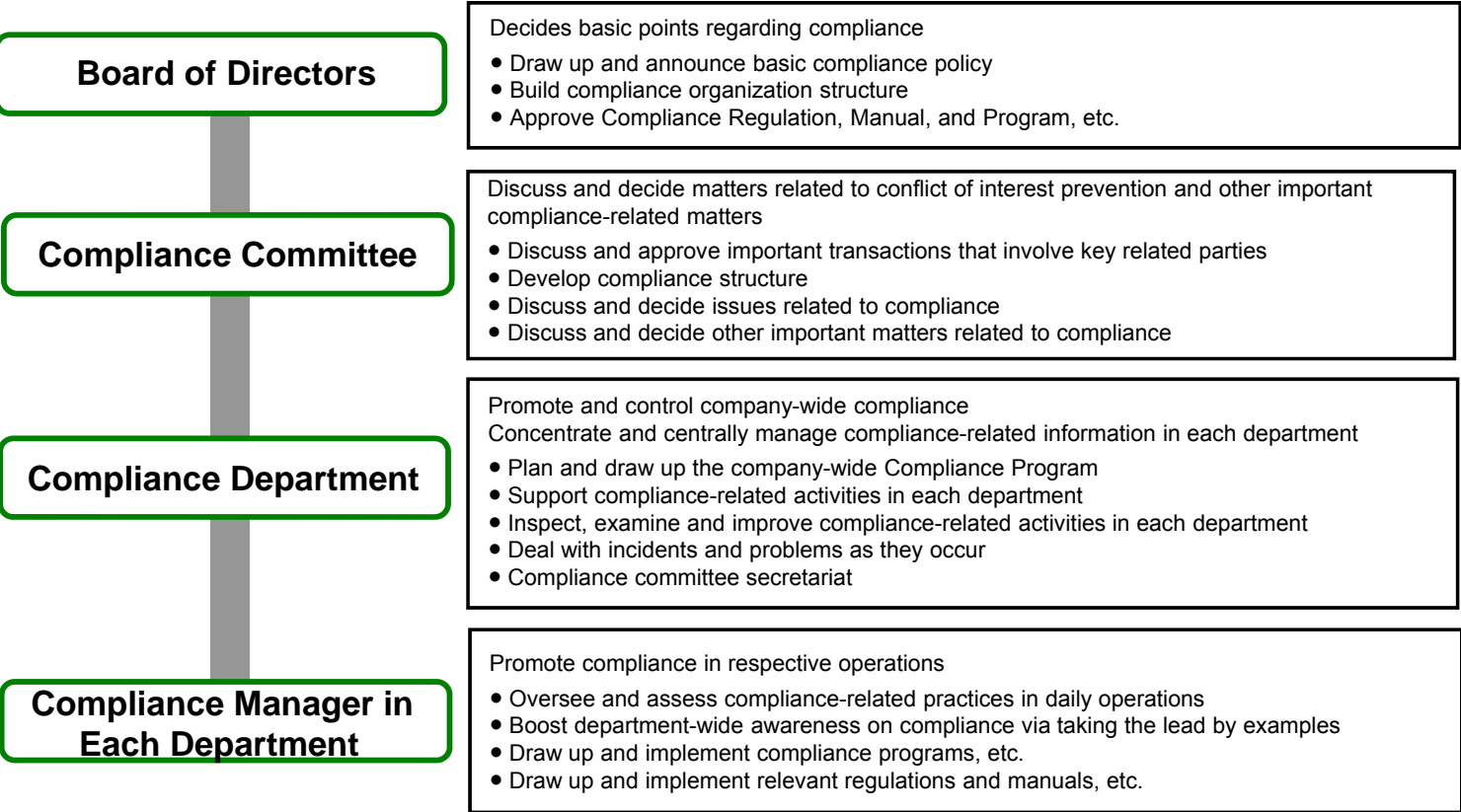
JRE's basic principle of compliance is to thoroughly observe legal and other relevant norms in regard to the business operation as well as to respond to the requirements from society. This means that the Investment Corporation administers and oversees the outsourcing companies from the same standpoint, while complying with legal and other relevant norms in its decision-making.

Basic Principle of Compliance for the Asset Management Company

- Ensuring thorough compliance is our basic management principle, since we understand that any insufficiency in compliance would affect even our management base
- As an Asset Management Company, we recognize that we bear the responsibility for realizing the values that are required by society in our business operation, and make proactive and continuous efforts for full compliance to enhance the value of our business operation qualitatively and quantitatively
- We, the Asset Management Company for REIT, are jointly managed by Mitsubishi Estate Co., Ltd., and Mitsui & Co., Ltd. across business boundaries—they are Japan's leading companies in real estate, finance, and risk management. We therefore promote a sophisticated compliance system as a key member of these companies
- We are determined to achieve a reputation for quality among our investors by promoting compliance activities, and thereby gain the trust of a wide spectrum of society

Compliance Promotion System

The following is the compliance system for the Asset Management Company.



- The Asset Management Company has entered into contracts with several law firms with different specialized areas as its corporate lawyers in order to complement our knowledge of legal tasks in the company, and consults with them, as necessary, depending on the content of issues
- It has also concluded a consulting contracts with external advisors for improving and strengthening internal control, with a view to further enhancing our compliance system

The compliance system for the Asset Management Company is mainly organized by the board of directors, compliance committee and compliance department. Although the compliance manager in each department plays a central role in the compliance promotion activities, it is understood that each member of the Asset Management Company staff must be a leader in compliance promotion. Therefore, they are highly alert to compliance issues in performing their tasks, and maintain sound work ethics and strict self-discipline in observing the rules and regulations in their everyday work.

Acquired the best status,
a “Green Star” in GRESB



What is GRESB?

GRESB (Global Real Estate Sustainability Benchmark) was established in 2009 by a group of European pension funds. It is an annual benchmark evaluation to assess the environment, society and governance (ESG) performance of the real estate sector. Major European, American and Asian institutional investors utilize this benchmark in their investment decision-making processes. GRESB Real Estate Assessment is unique in evaluating not the individual property itself, but the environment-friendliness and sustainability approach of each real estate company and REIT.

Acquired a “Green Star”

In the 2016 GRESB Real Estate Assessment, JRE was highly evaluated and acquired the best status, a “Green Star”.

Environmental Measures · Disaster Prevention · Renovation to strengthen Portfolio Competitiveness

- Organize an emergency drill and AED training
- Stock emergency food and portable toilets
- Set up an MCA wireless communication system for emergency to contact the asset management company and property management companies
- Install a Visual Sensor System for Earthquakes
(Kitanomaru Square, Mitsubishi UFJ Trust, Harumi Front, Akasaka Park, Shibuya Cross Tower and MM Park)

Contribution to local community

- Shiodome Building
Holds ‘HAMASITE Summer Festival’ at an open space of Shiodome, in collaboration with city assembly, area management association and retail tenants.
- Tokyo Opera City Building
Sponsorship to concerts and art exhibitions as well as lunchtime concerts for free.
- Osaki Front Tower
Sponsorship to light-up illuminations decorating along the Meguro River.

**Continue to make efforts for maintaining and improving competitiveness
in the market over the mid- to long- term**

DBJ Green Building Certification The highest rank 'Five Stars' given by DBJ



DBJ Green Building
2016 

Acquisition of DBJ Green Building Certification

DBJ Green Building Certification is a certification system uniquely developed by the Development Bank of Japan, evaluating not only the building's environmental performance but also tenants' comfort, involvement with the local community, risk management, etc. in order to increase the number of real estate properties with high environmental and social awareness ("Green Building"). JRE is highly evaluated in several of its buildings, such as Harumi Front, which received the highest rank "five stars", the first by J-REIT.

Properties with
the best class
environmental &
social awareness



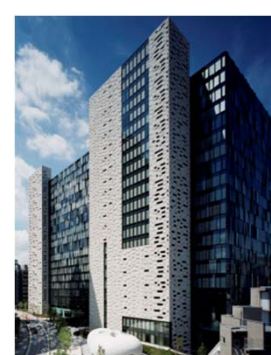
DBJ Green Building
2016 



Shiodome Building
(Minato-ku, Tokyo)



Harumi Front
(Chuo-ku, Tokyo)



Shinjuku Eastside Square
(Shinjuku-ku, Tokyo)

Properties with
exceptionally high
environmental &
social awareness



DBJ Green Building
2016 



Harumi Center Building
(Chuo-ku, Tokyo)



Osaki Front Tower
(Shinagawa-ku, Tokyo)



MM Park Building
(Yokohama City, Kanagawa Prefecture)

Aim for sustainable growth with environment and local community

Key Properties of JRE

(As of March 31, 2017)

Kitanomaru Square
(Chiyoda-ku, Tokyo)



- Acquisition Date February 24, 2006
- Acquisition Price ¥81,555 million
- Area Land: 5,821.03 m²
Building: 57,279.20 m²
- Completion Date January 2006

Mitsubishi UFJ Trust and Banking Building
(Chiyoda-ku, Tokyo)



- Acquisition Date March 28, 2007
- Acquisition Price ¥44,700 million
- Area Land: 8,100.39 m²
Building: 108,171.67 m²
(Ownership: 19.38402%)
- Completion Date February 2003

Harumi Front
(Chuo-ku, Tokyo)



- Acquisition Date January 7, 2013
- Acquisition Price ¥31,300 million
- Area Land: 7,250.15 m²
Building: 45,458.90 m²
- Completion Date February 2012

Tokyo Opera City Building
(Shinjuku-ku, Tokyo)



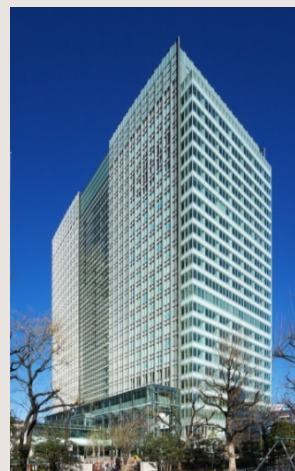
- Acquisition Date September 13, 2005/March 24, 2010
- Acquisition Price ¥31,776 million
- Area Land: 18,236.94 m²
Building: 232,996.81 m²
(Ownership: 31.325%)
- Completion Date July 1996

Akasaka Park Building (Minato-ku, Tokyo)



- Acquisition Date November 15, 2011
- Acquisition Price ¥60,800 million
- Area Land: 14,198.20 m²
Building: 97,489.16m²
- Completion Date July 1993

Shiodome Building (Minato-ku, Tokyo)



- Acquisition Date December 19, 2008/January 15, 2010
/May 1, 2015/March 30, 2017
- Acquisition Price ¥96,400 million
- Area Land: 12,054.22 m²
Building: 115,930.83 m²
(Quasi-co-ownership: 50%
of the trust beneficiary right)
- Completion Date December 2007

Shibuya Cross Tower (Shibuya-ku, Tokyo)



- Acquisition Date November 30, 2001
- Acquisition Price ¥34,600 million
- Area Land: 5,153.45 m²
Building: 61,862.33 m²
- Completion Date April 1976

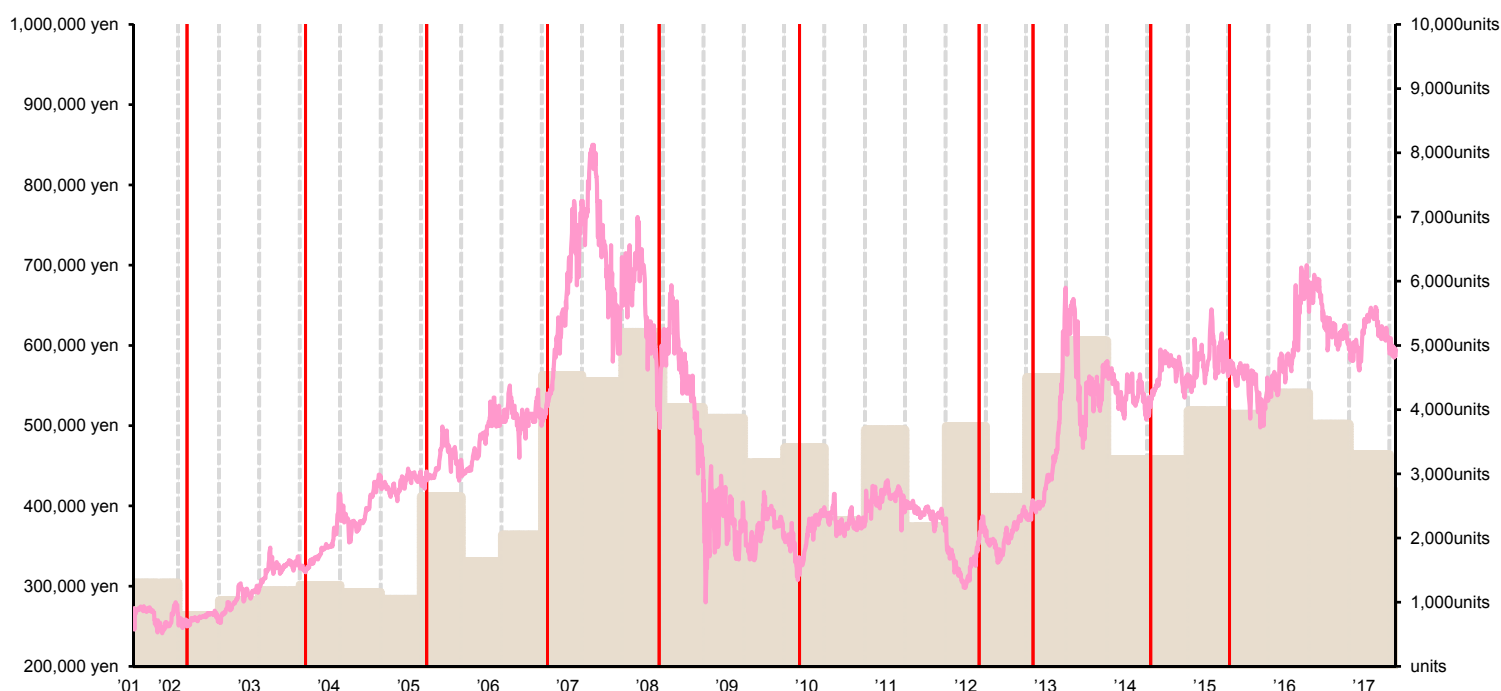
MM Park Building (Yokohama City, Kanagawa Prefecture)



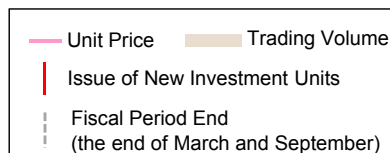
- Acquisition Date March 24, 2008
- Acquisition Price ¥37,400 million
- Area Land: 6,825.77 m²
Building: 49,037.51 m²
- Completion Date December 2007

Unit Price Performance ① (After IPO)

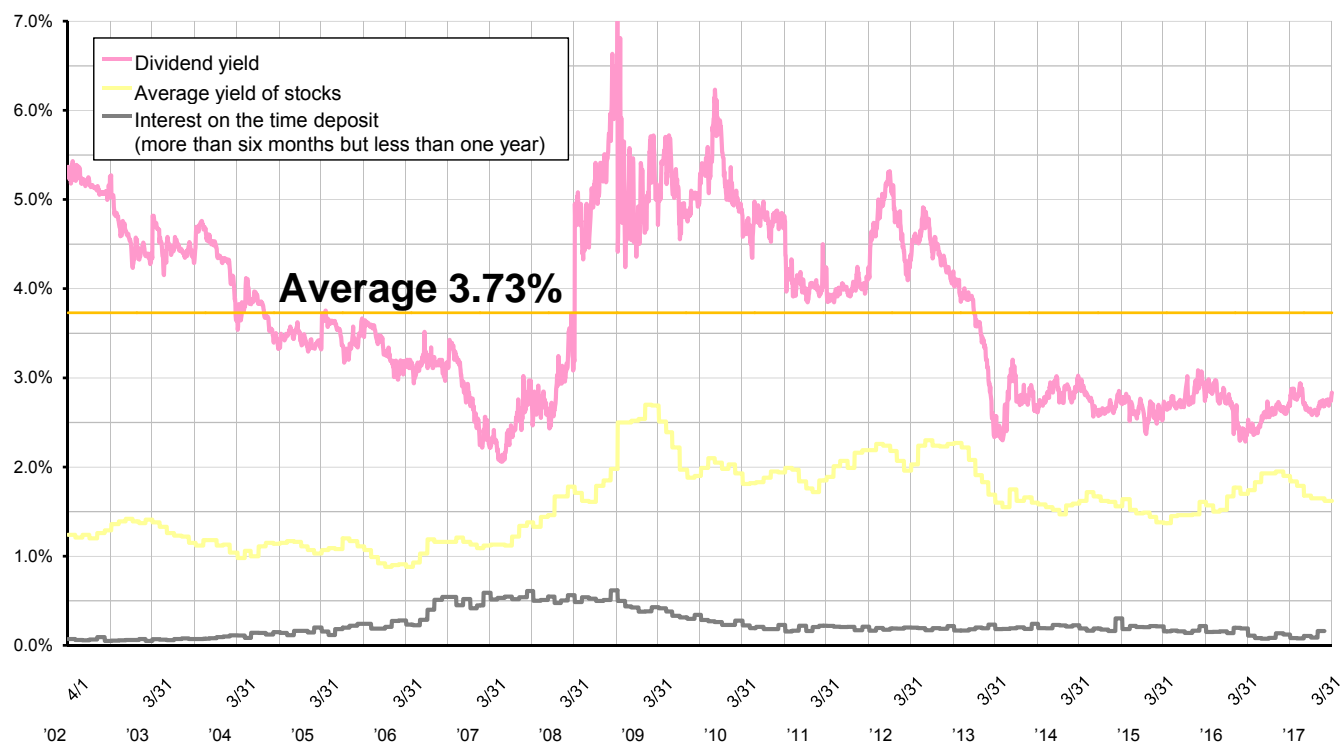
Unit Price Performance



- * Unit prices are based on daily closing prices.
- * JRE has conducted 2-for-1 investment unit split on January 1, 2014.
- * Unit prices and offer prices are all noted after the split.
- * Trading volume shows average volume during each fiscal period.



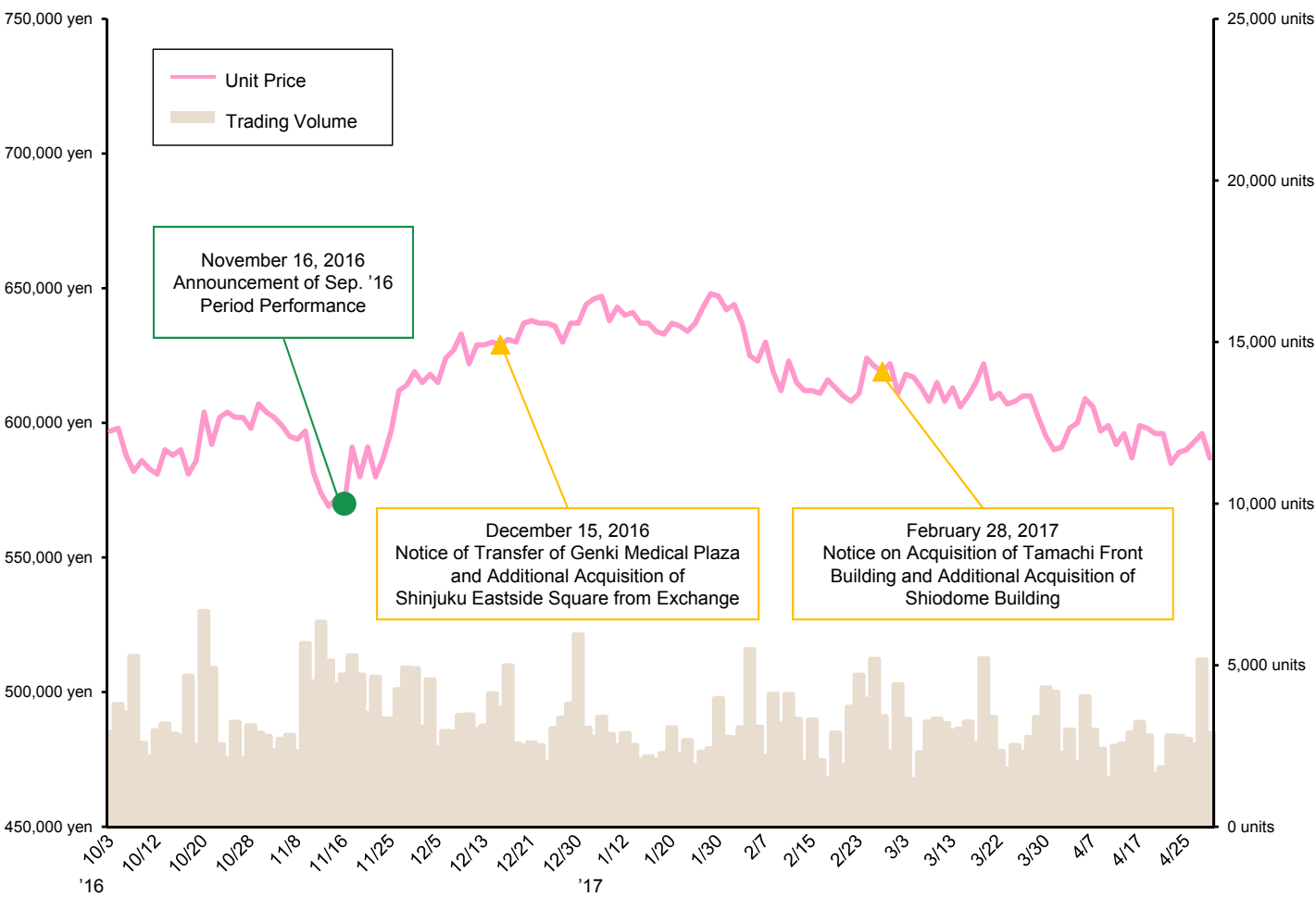
Historical Dividend Yield of JRE Unit



- * The Dividend yield is calculated by dividing annualized actual dividend by unit price (daily closing price from April 1, 2002 to March 31, 2017).
- * The average yield of stocks is based on fixed dividends and is simple average of dividend yield of stocks listed on the 1st section of TSE on a monthly basis as of March 2017.
- * Interest on the time deposit (more than six months but less than one year) is on a monthly basis as of February 2017.
- * The vertical gray lines show ex-dividend dates.
- * Source: Bank of Japan, Tokyo Stock Exchange.

Unit Price Performance ② (From Mar. '17 Period to Date)

As of April 28, 2017



- * Circles (●) show announcements of JRE's events.
- * Triangles (▲) show announcements of acquisition and transfer.

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Unit Price Performance ③ (Relative to Major Indices)

Unit Price Performance (As of April 28, 2017)



* Unit price performance is measured based on the offer price of 262,500 yen (after the split) for JRE and the closing prices of 1,080.83 for TOPIX and 770.21 for TPREAL on September 7, 2001. The TSE REIT index is a ratio against the closing price on March 31, 2003.

* TPREAL (TOPIX Real Estate Index) is a weighted index designed to measure the performance of the real estate sector of the TOPIX index by industry.

* Unit prices are based on the closing prices of each day.

* The unit price performance above is historical and not an indication of future performance.

Total Return Performance (As of April 28, 2017)



* Total return is the rate of return on investment in JRE from September 10, 2001 to the end of each holding period.

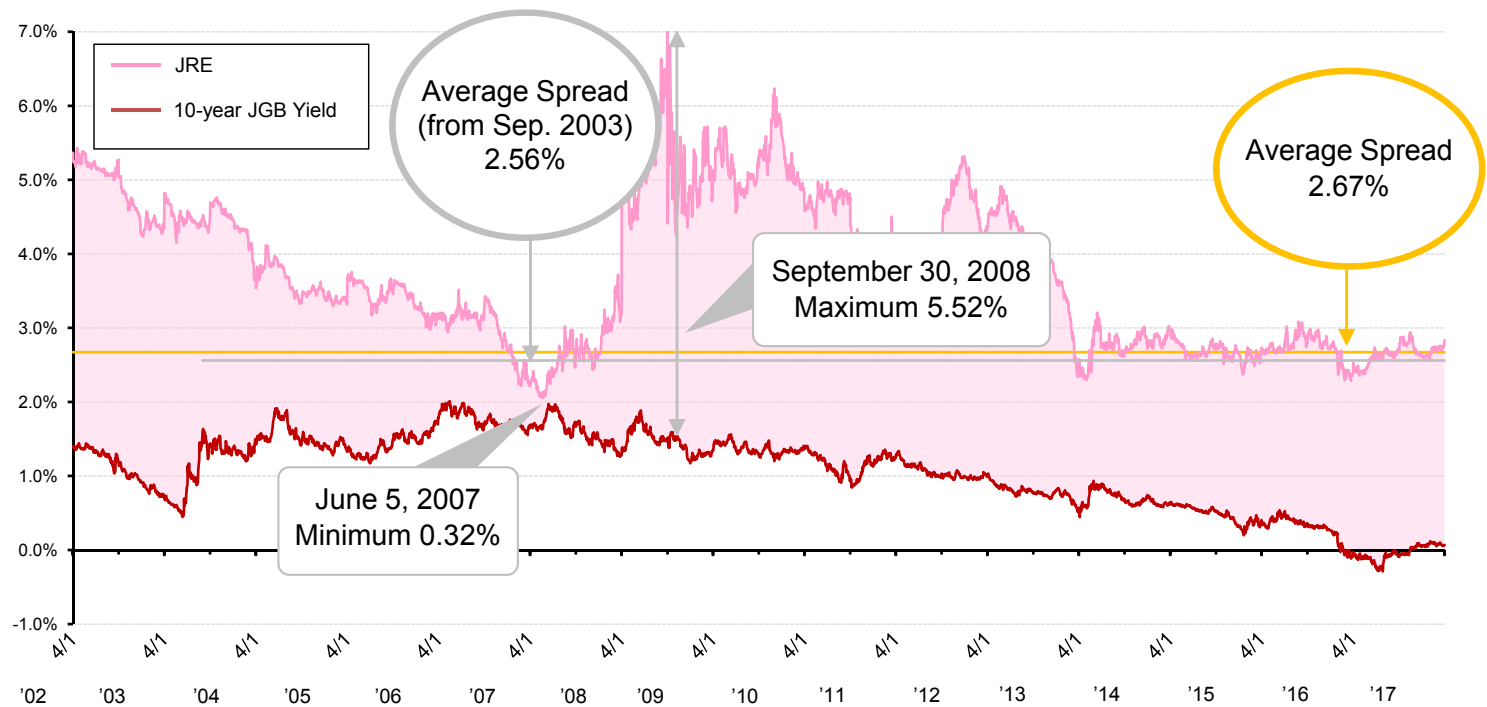
Total return = ((the number of units acquired by reinvestment of dividends+1)×(the last closing price/the closing price on September 10, 2001)-1)×100.

* Total return is calculated from September 10, 2001 to April 28, 2017 on a daily basis.

* Source: Bloomberg.

Yield Spread Comparison

JRE Dividend Yield Spread against JGB (As of March 31, 2017)



* Source: Bloomberg (Dividend yield is based on the actual performance).

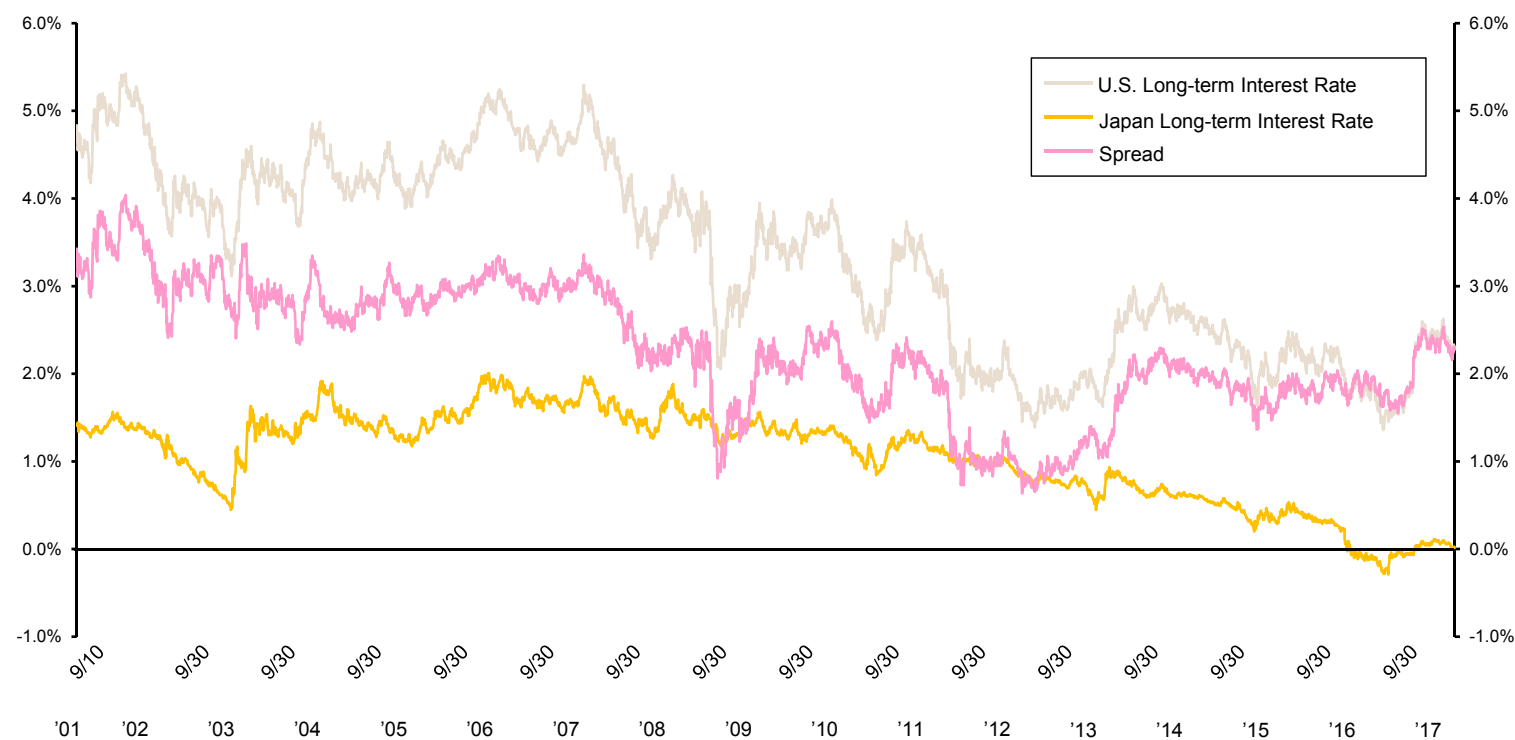
TSE REIT Dividend Yield Spread against JGB (As of March 31, 2017)



* Source: Bloomberg (Calculated based on the dividend yield of TSE REIT Index. Dividend yield is based on the actual performance).

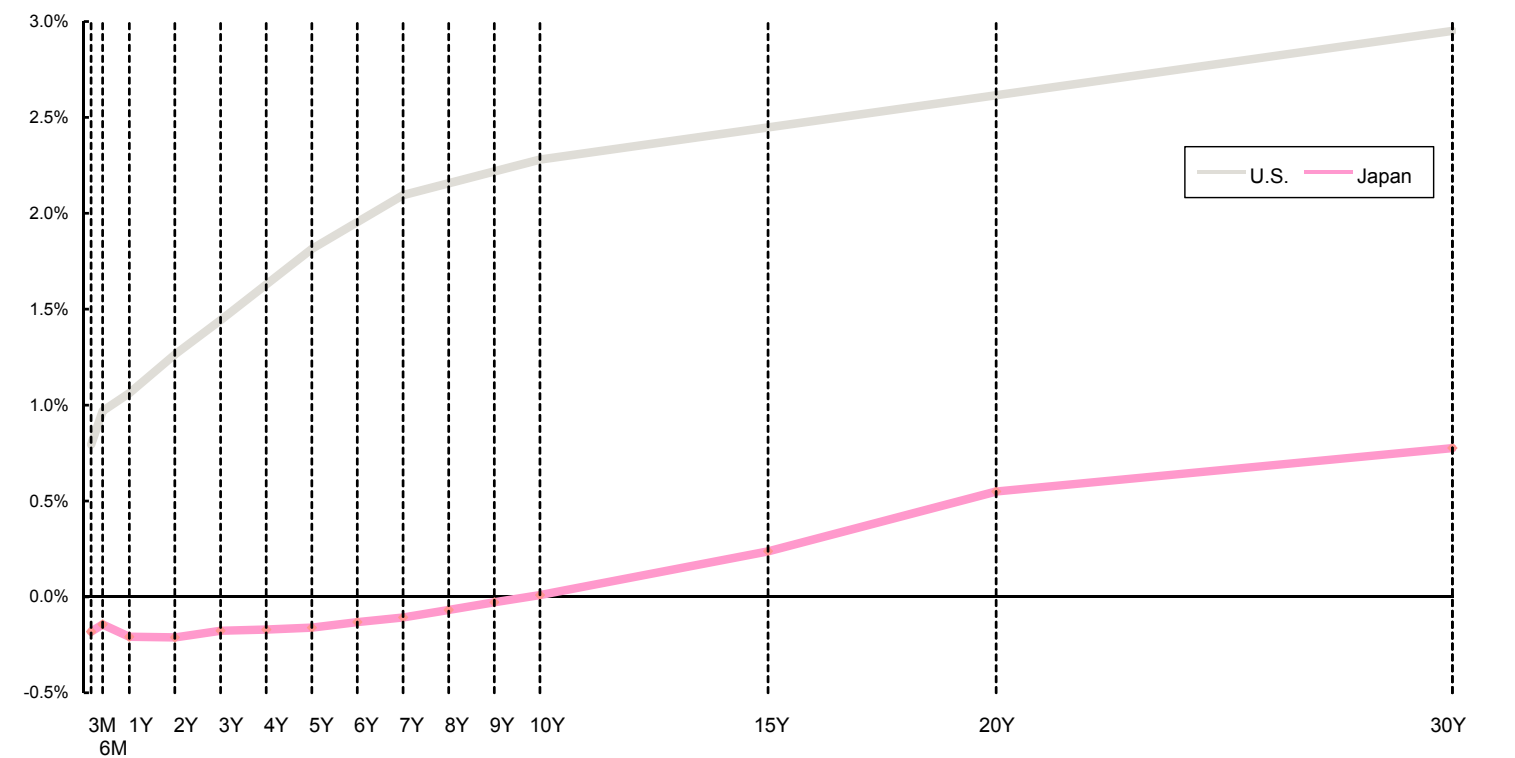
Interest Rate Comparison of Japan and U.S.

Long-term Interest Rate Comparison of Japan and U.S. (As of April 28, 2017)



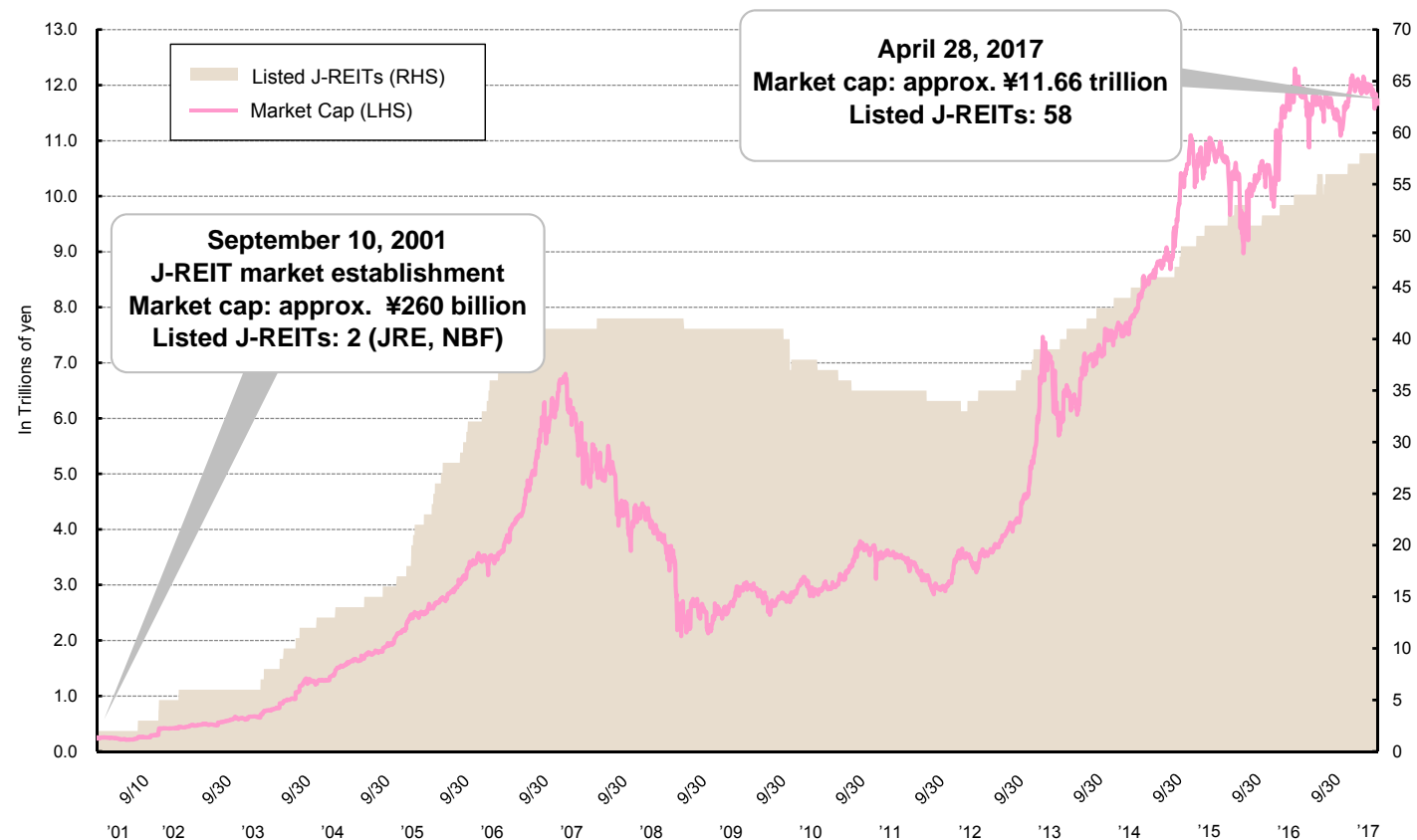
* Long-term interest rates are the yields of Japan and U.S.10-year Government Bonds.
* Source: Bloomberg.

Yield Curve Comparison of Japan and U.S. (As of April 28, 2017)



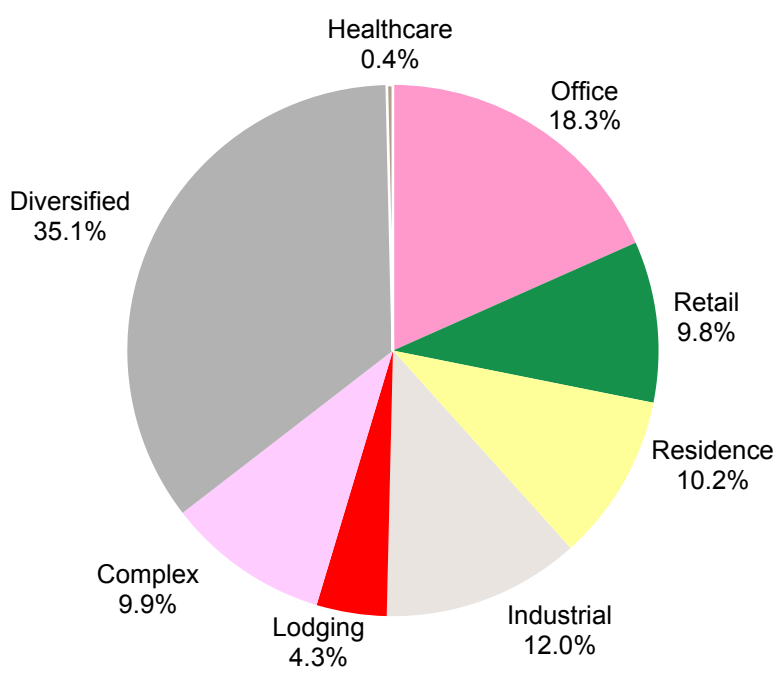
* Source: Bloomberg.

J-REIT Market Capitalization and the Number of Listed J-REITs
(As of April 28, 2017)



* Source: Bloomberg.

Sector Breakdown by Market Capitalization
(As of April 28, 2017)



* "Complex" refers to J-REITs that invest in properties in two different sectors;
"Diversified" refers to J-REITs that invest in properties in three sectors or more.
* Source: Security registration statements, financial statements and websites of each J-REITs.

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Disclaimer concerning Forecasts

This presentation contains information regarding forecasts based on the plans and outlook of Japan Real Estate Investment Corporation (JRE).

All data contained herein, other than those that describe current or historical data, are based on such forecasts.

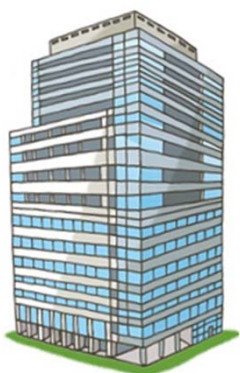
These forecasts are based on the assumptions, judgment, and data currently available from Japan Real Estate Asset Management (J-Rea) and JRE. These data may contain known and unknown risks, uncertainty, and other factors not accounted for. The forecasts herein may be affected by known and unknown risks, uncertainty, or other factors, particularly with respect to JRE's internal and external growth and profitability-per-unit targets.

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Disclaimer concerning Translation

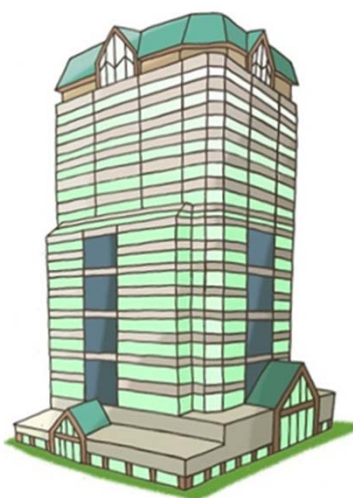
This report was prepared in English solely for the convenience of readers outside Japan. No assurance or warranties are given for the completeness or accuracy of the English translation. The original Japanese documents shall take precedence in the event of any discrepancies arising from the translations or interpretations contained in this report.



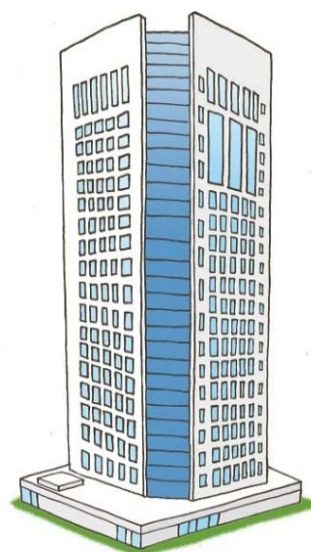
Kitanomaru Square



Shiodome Building



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Tokyo Opera City Building

