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For Immediate Release

Japan Prime Realty Investment Corporation
Hirohito Kaneko
Executive Officer
(Securities Code: 8955)

Inquiries:
Tokyo Realty Investment Management, Inc.
Takeshi Maki
Director and Chief Financial Officer
TEL: +81-3-3516-1591

**Notice Concerning Additional Issue of New Investment Units and
Secondary Offering**

Japan Prime Realty Investment Corporation (JPR) today (June 17, 2003) announced it has resolved at a Board of Directors Meeting to issue additional new investment units and conduct secondary offering. Brief details of the resolution are outlined below.

1. Primary Offering for the Additional Issue of New Investment Units

(1) Total number of units to be issued 134,400

(2) Purchase price To be determined

(The purchase price for new investment units shall be determined by a resolution of the Board of Directors on a date between July 7, 2003 (Monday) and Jul 14, 2003 (the pricing date of offer price). The purchase price shall be the proceeds per unit received from the underwriter upon settlement of the new investment unit issue.

(3) Gross proceeds ¥31.9 billion

(The gross proceeds are a forecast as of the date of this notice, based on the market price.)

(4) Offering method

Underwritten in full by Mizuho Securities Co., Ltd., Merrill Lynch Japan Securities Co., Ltd., Nomura Securities Co., Ltd., Nikko Citigroup Limited, Daiwa Securities SMBC Co., Ltd., Mitsubishi Securities Co., Ltd., and UFJ Tsubasa Securities Co., Ltd.

Note: This document provides general information in connection with the issue and secondary offering of investment units and is not provided as an inducement or invitation for investment. We caution readers to refer to the Company's Prospectus and Notice of Amendments thereto and to undertake investment decisions subject to individual determination.

The offer price shall provisionally be calculated by multiplying the Tokyo Stock Exchange closing price on the pricing date of offer price (the closing price on the day immediately preceding the pricing date of offer price in the event there is no closing price) by a factor of 0.90 to 1.00 (amounts less than ¥1 to be omitted) and subject to demand.

(5) Place of settlement

Mizuho Corporate Bank, Ltd. Otemachi Branch

(6) Underwriting agreement

An underwriting commission shall not be paid. Underwriting fees applicable to the issue shall be the difference between the offer price and the purchase price.

(7) Book-building period

June 30, 2003 (Monday) to July 14, 2003 (Monday)

(8) Application period

July 15, 2003 (Tuesday) to July 17, 2003 (Thursday)

Subject to demand, the application period shall be brought forward. The earliest application period shall be July 8, 2003 (Tuesday) to July 10, 2003 (Thursday).

(9) Closing date

July 22, 2003 (Tuesday)

Subject to demand, the closing date shall be brought forward. The earliest closing date applicable shall be July 14, 2003 (Monday).

(10) Settlement date

July 23, 2003 (Wednesday)

Subject to demand, the settlement date shall be brought forward. The earliest settlement date applicable shall be July 15, 2003 (Tuesday).

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(11) Starting date of computation for cash distribution of the 4th fiscal period

July 1, 2003 (Tuesday)

(12) Application unit

More than one unit in multiples of one unit.

(13) Other

The purchase price and other items relating to the primary offering shall be approved at the next Board of Directors Meeting.

(14) Notification

The aforementioned items shall be subject to the effectiveness of the Securities Registration Statement in accordance with the Securities Exchange Law.

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2. Third-party Allotment (Greenshoe option)

(Third-party allotment in accordance with secondary offering (over-allotment) as detailed in item 3.)

(1) Total number of units to be issued 6,000 (maximum)

(2) Third party and number of units to be issued to the third party

Mizuho Securities Co., Ltd. 6,000 (maximum)

(3) Purchase price

The same as for primary offering.

(4) Gross proceeds ¥1.4 billion

(The gross proceeds are a forecast as of the date of this notice, based on the market price.)

(5) Place of settlement

Mizuho Corporate Bank, Ltd. Otemachi Branch

(6) Application date

August 15, 2003 (Friday)

Subject to demand, the application date shall be brought forward. The earliest application date applicable shall be August 8, 2003 (Friday).

(7) Closing date

August 15, 2003 (Friday)

Subject to demand, the closing date shall be brought forward. The earliest closing date applicable shall be August 8, 2003 (Friday).

(8) Starting date of computation for cash distribution of the 4th fiscal period

July 1, 2003 (Tuesday)

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(9) Application unit

More than one unit in multiples of one unit.

(10) Other

The purchase price and other items relating to the third-party allotment shall be approved at the next Board of Directors Meeting.

(11) Notification

The aforementioned items shall be subject to the effectiveness of the Securities Registration Statement in accordance with the Securities Exchange Law.

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3. Secondary Offering (Over-allotment)

(1) Total number of units to be offered 10,000 (maximum)

(2) Seller and number of units to be offered

Mizuho Securities Co., Ltd. 10,000 (maximum)

The secondary offering (over-allotment) is subject to primary offering demand. The total number of units to be offered is a maximum limit and may differ depending on demand. For the purpose of over-allotment, Mizuho Securities Co., Ltd. shall borrow the Company's investment units held by its unitholder The Yasuda Mutual Life Insurance Company (the "Lender").

(3) Offer price

To be determined. The same as offer price for the primary offering.

(4) Offering method

Subject to primary offering demand, Mizuho Securities Co., Ltd. shall borrow the Company's investment units held by the Lender.

(5) Book-building period

The same as for the primary offering.

(6) Application period

The same as for the primary offering.

(7) Settlement date

The same as for the primary offering.

(8) Application unit

More than one unit in multiples of one unit.

(9) Other

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The offer price and other items relating to the secondary offering shall be approved at the next Board of Directors Meeting.

(10) Notification

The aforementioned items shall be subject to the effectiveness of Securities Registration Statement in accordance with the Securities Exchange Law.

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4. Notes Regarding Secondary Offering (over-allotment) and the Greenshoe Option

- (1) Mizuho Securities Co., Ltd. plans to borrow the Company's investment units from the Lender to be sold in the event of over-allotment. In order to effect return of the investment units borrowed, Mizuho Securities will be given by the Company a purchase option of new investment units for the third-party allotment (hereinafter referred to as "greenshoe option (1)") up to a maximum 6,000 investment units, outlined in item 2 preceding. The greenshoe option exercise period shall be calculated from the day following the close of the application period for the primary and secondary offerings and extend for a period of 30 days thereafter (up to the immediately preceding business day in the event the 30th day is not a business day.)
- (2) In order to effect return of the investment units borrowed from the Lender, Mizuho Securities will be given by the Lender a purchase option of additional investment units at purchase price of primary offering (hereinafter referred to as "greenshoe option (2)") up to a maximum 4,000 investment units. The greenshoe option exercise period shall be the same as in (1) above.
- (3) In the event Mizuho Securities returns the investment units borrowed through purchases undertaken under syndicated cover transactions and stabilizing transactions, Mizuho Securities does not intend to exercise the greenshoe options. In this case, distribution of units for which greenshoe options are not exercised between greenshoe option (1) and greenshoe option (2) shall, where possible, be assigned on a pro rata basis.

5. Total Number of Investment Units after New Issue

Number of investment units outstanding	289,600
Number of new issue (primary offering)	134,400
Subtotal	424,000
Number of new issue (third-party allotment) (projected)	6,000
Total (projected)	430,000

6. Use of Proceeds

JPR estimates it will receive approximately ¥33.3 billion as a result of the new issue (¥31.9 billion from primary offering and ¥1.4 billion from third-party allotment). Proceeds are earmarked for the repayment of short-term debt and the acquisition of properties.

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7. Distribution to Unitholders

(1) Distribution policy

Distribution policy is determined in line with JPR's internal rules and regulations. JPR does not currently make distributions in excess of earnings.

(2) Distribution for the 1st and 2nd fiscal periods

	1 st Fiscal Period September 14, 2001 to June 30, 2002	2 nd Fiscal Period July 1, 2002 to December 31, 2002
Distribution per Investment Unit	¥2,545	¥6,912

8. Other

(1) Specified purchaser No

(2) Lock-up - Issuer

JPR has agreed with joint lead managers Mizuho Securities and Merrill Lynch Japan Securities it will not issue additional investment units for a period of three months after the listing date (excluding the third-party allotment as outlined in item 2 preceding). In addition, in the event of the above, this condition may be deleted in part or in whole at the mutual discretion of the joint lead managers, and the period limitation reduced.

(3) Lock-up – Major Unitholders

JPR's major unitholders (listed below) have agreed with the joint lead managers not to sell, transfer, pledge as collateral, or dispose of in any other manner their respective shareholdings as of June 11, 2003 for a period of three months after the listing date. This excludes agreements relating to existing collateral, sale due to over-allotment, and the loan or sale of investment units owing to greenshoe option assignment. However, each of the aforementioned conditions may be circumvented subject to written approval from the joint lead managers.

(As of June 11, 2003)

Investors	Number of Investment Units Held
Tokyo Tatemono Co., Ltd.	39,300
The Yasuda Mutual Life Insurance Company	38,000

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Yasuda Real Estate Co., Ltd.	5,000
Taisei Corporation	1,500
Tokyo Realty Investment Management, Inc.	100
Total	83,900

(4) Equity finance conducted during the 1st and 2nd fiscal periods

i. Equity finance

(Millions of yen)

Date	Issue Amount	Investment Amount after Issue	
September 14, 2001	120	120	Private placement
November 16, 2001	31,000	31,120	Private placement
June 14, 2002	25,862	56,982	Public offering

ii. Recent trends in investment unit prices (listing date June 14, 2002 to June 16, 2003)

(Yen)

	1 st Fiscal Period September 14, 2001 to June 30, 2002	2 nd Fiscal Period July 1, 2002 to December 31, 2002	January 1, 2003 to June 16, 2003
Opening	201,000	200,000	239,000
High	202,000	240,000	283,000
Low	199,000	200,000	217,000
Closing	200,000	238,000	269,000

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