

June 30, 2003

For Immediate Release

Japan Prime Realty Investment Corporation
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Notice Concerning Debt Funding

Japan Prime Realty Investment Corporation (JPR) on June 30, 2003 concluded drawdown of debt funding, brief details as follows:

1. Details of Debt Funding

1.	Lender	Mizuho Corporate Bank, Ltd.
2.	Amount	¥12.8 billion
3.	Interest Rate	0.81% (From July 1, 2003 to July 15, 2003) Note 1
4.	Loan Type	Floating rate of interest. First registered mortgage over the beneficiary interests in the Yasuda-Life Osaka Building (Note 2) and the Jinnan 1-chome Building (Note 3), and a first provisionally registered mortgage over the Shinyokohama 2 nd Center Building.
5.	Drawdown Date	June 30, 2003
6.	Repayment Method	Principal repayment in full on maturity
7.	Repayment Date	July 31, 2003

Notes:

1. The interest rate applicable after July 15, 2003 will be announced as and when decided.
2. As of June 30, 2003, collateral over the Yasuda-Life Osaka Building held by Mizuho Corporate Bank, Ltd. for revolving line of credit set on December 2, 2002 has been discharged. The pledge over the beneficial interest of the Yasuda-Life Osaka Building and the pledge to provide a

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mortgage held by Mizuho Corporate Bank, Ltd. has also been discharged and concluded.

3. On June 30, 2003, following acquisition of the Jinnan 1-chome Building, trust rights will be transferred to Mizuho Trust & Banking Co., Ltd. The Company's interest in the Jinnan 1-chome Building will be held in the form of beneficiary interest.

2. Use of Funds

- (1) Acquisition of the Jinnan 1-chome Building and payment of associated expenses.

The decision to acquire the Jinnan 1-chome Building was made on May 30, 2003. The purchase was completed on June 30, 2003 in line with the initial schedule.

- (2) Repayment of existing short-term borrowings (Details of borrowings balance after repayment are provided under separate schedule)

Short-term borrowings repayment details are as follows:

1.	Lender	Sompo Japan Insurance Inc.
2.	Amount	¥2.0 billion
3.	Interest Rate	1.95%
4.	Loan Type	Fixed rate of interest. Unsecured, unguaranteed, subordinated (the Company has concluded a subordination agreement with the lender)
5.	Drawdown Date	June 26, 2002
6.	Repayment Method	Principal repayment in full on maturity
7.	Repayment Date	June 30, 2003

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1. Borrowings Balance after Additional Debt Funding and Repayment of Short-Term Borrowings as Identified in (3.2) Application of Funds
(Yen in billions)

	Borrowings Balance prior to Additional Debt Funding	Borrowings Balance after Additional Debt Funding	Change
Short-Term Borrowings	18.7	29.5	10.8
Medium-Term Borrowings	25.0	25.0	—
Long-Term Borrowings	15.0	15.0	—
Total Borrowings	58.7	69.5	10.8

2. Interest-Bearing Liabilities Ratio after Additional Debt Funding

	Before Acquisition	After Acquisition	Percentage Point Change
Interest-Bearing Liabilities Ratio	50.7%	54.9%	4.2
Medium- to Long-Term Interest-Bearing Liabilities Ratio	68.1%	57.6%	(10.5)

Notes:

1. The above interest-bearing liabilities ratios are calculated as a matter of convenience using the following formulas:
Interest-bearing liabilities ratio (%) = Interest-bearing liabilities ÷ (Interest-bearing liabilities + Unitholders' equity) x 100
(Unitholders' equity: ¥56,982 million)
2. Medium- to long-term interest-bearing liabilities ratio (%) = Medium- to long-term interest-bearing liabilities ÷ Interest-bearing liabilities x 100
3. Percentage figures are rounded to the nearest first decimal point.

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