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For Translation Purposes Only

For Immediate Release

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Notice Concerning Pricing for Additional Issue of New Investment Units and Secondary Offering

Japan Prime Realty Investment Corporation (JPR) announces that it resolved at today's Board of Directors meeting the pricing for additional new investment units and secondary offering units, which were approved at the Board of Directors meeting held on January 17, 2007. Brief details of the resolution are outlined below.

1. Additional Issue of New Investment Units via Public Offering (Primary Offering)
 - (1) Total number of units to be issued
90,000
 - (2) Offer price
¥449,820 per unit
 - (3) Total amount of the offer price
¥40,483,800,000
 - (4) Purchase price
¥434,673 per unit
 - (5) Gross proceeds
¥39,120,570,000
 - (6) Subscription period

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 JPR's prospectus and notice of amendments thereto and to undertake investment decisions subject to individual determination.

January 30, 2007 (Tuesday) to February 1, 2007 (Thursday)

- (7) Payment date
February 6, 2007 (Tuesday)

Note: The underwriter shall underwrite the issue at the purchase price and publicly offer the issue at the offer price.

2. Secondary Offering (Over-allotment Option)

- (1) Total number of units to be offered
5,000
- (2) Offer price
¥449,820 per unit
- (3) Total amount of the offer price
¥2,249,100,000
- (4) Subscription period
January 30, 2007 (Tuesday) to February 1, 2007 (Thursday)
- (5) Settlement date
February 7, 2007 (Wednesday)

3. Third-party Allotment

- (1) Total number of units to be issued
5,000 (maximum)
- (2) Third party and number of units to be issued to the third party
Mizuho Securities Co., Ltd. 5,000
- (3) Purchase price
¥434,673 per unit
- (4) Gross proceeds
¥2,173,365,000 (maximum)
- (5) Subscription date
March 6, 2007 (Tuesday)
- (6) Payment date

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March 7, 2007 (Wednesday)

Note: Investment units shall not be issued in the event that no application has been made by the third party during the subscription period.

(Reference)

1. Calculation of offer price

(1) Calculation date

January 29, 2007 (Monday)

(2) Closing price on the calculation date

¥459,000

(3) Discount rate

2.0%

2. Details of the Secondary Offering (over-allotment option)

- (1) Apart from the primary offering, in order for the investment securities to be borrowed by Mizuho Securities Co., Ltd. from Tokyo Tatemono Co., Ltd., JPR shall grant Mizuho Securities Co., Ltd. an option to purchase new investment units by way of the third-party allotment mentioned under 3. above (the “third-party allotment”) up to a maximum of 5,000 units (the “greenshoe option”). The greenshoe option may be exercised until March 2, 2007 (Friday).
- (2) In order to effect return of the investment units borrowed, there may be cases when Mizuho Securities Co., Ltd. may also purchase investment units up to the number of units for the over-allotment option in Tokyo Stock Exchange, Inc. (the “syndicated cover transaction”) during the period from February 2, 2007 (Friday) to March 2, 2007 (Friday) (the “syndicated cover transaction period”). During the syndicated cover transaction period, Mizuho Securities Co., Ltd. may elect to not engage in syndicated cover transactions, or may finish the syndicated cover transactions at a number of investment units less than the total investment units related to the secondary offering through over-allotment.
- (3) Moreover, Mizuho Securities Co., Ltd. may possibly engage in stabilizing transactions related to the Primary Offering and the Secondary Offering (over-allotment option). The investment securities purchased through such stabilizing transactions may possibly be used, in whole or in part, in return of the investment securities borrowed.
- (4) Concerning the total number of investment units in relation to when investment securities purchased through the stabilizing transactions in correlation with the Primary Offering and the Secondary Offering (over-allotment option) are used to return the investment securities borrowed, Mizuho Securities Co., Ltd. does not

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intend to exercise the greenshoe option. Consequently, there may be cases when there will be no subscription to the investment units offered in the third-party allotment in whole or in part, the final number of investment units placed by the third-party allotment may possibly decrease to that extent due to forfeiture, or such allotment itself may possibly not take place at all.

- (5) The transaction described in the above (1) to (4) will be performed upon consultation between Mizuho Securities Co., Ltd. and Merrill Lynch Japan Securities Co., Ltd.

3. Use of Proceeds

Proceeds from the Primary Offering and the Third-party Allotment (up to ¥41,293,935,000) are earmarked for the repayment of JPR's debt (¥27,000,000,000) and the acquisition of new specific assets (¥14,293,935,000) (same meaning as defined in article 2:1 of the Investment Trusts and Investment Corporations Law) by JPR.

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