



Moody's Investors Service

Rating Action: **Moody's assigns A2 to JPR's Series 11 bonds**

Global Credit Research - 05 Mar 2010

JPY 6 billion of debt securities affected

Tokyo, March 05, 2010 -- Moody's Investors Service has assigned A2 unsecured senior debt ratings to the proposed issue of Series 11 (JPY 6 billion, due 2015) Japan domestic bonds by Japan Prime Realty Investment Corporation (JPR). This is a takedown from JPR's JPY100 billion domestic shelf registration of October 2009, which is rated (P)A2. The rating outlook is negative.

The rating reflects Moody's view that JPR's sound portfolio contributes to the stability of cash flow and debt servicing capacity, and JPR will likely maintain its conservative financial policy, so as to strengthen its financial position even during this economic downturn.

Moody's previous rating action on JPR took place on January 15, 2009 when it changed the outlook for the company's A2 issuer and unsecured senior debt ratings to negative from stable.

The principal methodology used in rating the real estate investment trusts was the "Rating Methodology for REITs and Other Commercial Property Firms," published in January 2006, which can be found at www.moodys.com in the Research & Ratings directory, in the Rating Methodologies subdirectory. Other methodologies and factors that may have been considered in the process of rating this issue can also be found in the Rating Methodologies subdirectory.

Japan Prime Realty Investment Corporation is a J-REIT that invests in and manages office buildings and retail properties. Its operating revenue for the fiscal half-year that ended in December 2009 was approximately JPY 11.5 billion.

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