

January 28, 2014

**For Translation Purpose Only**

**For Immediate Release**

Japan Prime Realty Investment Corporation  
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## **Notice Concerning Issuance of Investment Corporation Bonds**

Japan Prime Realty Investment Corporation (JPR) today announced its decision to issue investment corporation bonds, as outlined below.

### **1. Overview of Investment Corporation Bonds**

- 1) Name of the Bonds  
Japan Prime Realty Investment Corporation 19th Series of Unsecured Investment Corporation Bonds  
(with special pari passu conditions among specified investment corporation bonds)  
(hereinafter referred to as “Bonds”)
- 2) Total Issue Amount  
¥5 billion
- 3) Form of Bond Certificate  
Pursuant to the Law Concerning Book-Entry Transfer of Company Bonds, Shares, Etc. which is applicable to the Bonds, certificates for the Bonds will not be issued.
- 4) Amount to be Paid in (purchase price)  
¥100 per ¥100 of the investment corporation bonds
- 5) Redemption Value  
¥100 per ¥100 of the investment corporation bonds
- 6) Interest Rate  
1.11% per annum
- 7) Denomination  
¥100 million
- 8) Offering method  
Public offering
- 9) Subscription Date  
January 28, 2014 (Tuesday)
- 10) Payment Date  
February 5, 2014 (Wednesday)
- 11) Collateral



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The Bonds will be issued on an unsecured, unguaranteed basis and without the backing of specific assets.

12) Redemption Method and Redemption Date

The total amount of the Bonds will be redeemed on February 5, 2024.

Note: The Bonds may be repurchased and cancelled at the option of JPR at any time on and after the day after the payment date, unless otherwise determined by the book-entry transfer agent.

13) Interest Payment Date

February 5 and August 5 of each year

14) Financial Covenants

The Bonds contain negative pledge.

15) Ratings

AA- Rating and Investment Information, Inc.

A Standard & Poor's Ratings Japan K.K.

16) Book-Entry Transfer Agent

Japan Securities Depository Center, Inc.

17) Fiscal Agent, Issue Agent and Payment Agent

Mizuho Bank, Ltd.

18) Underwriter

Mizuho Securities Co., Ltd.

Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

Daiwa Securities Co., Ltd.

SMBC Nikko Securities Inc.

## 2. Reason for Issue

JPR plans to use the approximate net amount JPR will obtain, which is the amount arrived at by deducting the approximate amount of miscellaneous expenses for issuance from the amount to be paid in, for the part of repayment of the 3rd series of unsecured investment corporation bonds (outstanding amount: ¥5,000 million yen) which will be redeemed on February 12, 2014.

## 3. Amount, Detail Use and Expected Dates of Expenditure of Funds to be Procured

1) Amount of Funds to be Procured (approximate net amount JPR will obtain)

¥4,962 million yen

2) Detail Use and Expected Dates of Expenditure of Funds to be Procured

Repayment of the part of the 3rd series of unsecured investment corporation bonds (outstanding amount: ¥5,000 million yen) which will be redeemed on February 12, 2014

## 4. Status of Borrowings after the Bond Issuance

(Yen in millions)

	Before Issuance	After Issuance	Change
Short-Term Loans Payable	2,000	2,000	—
Long-Term Loans Payable	133,259	133,259	—
Investment Corporation Bonds	56,500	56,500	—
Interest-Bearing Debt	191,759	191,759	—
Interest-Bearing Debt Ratio	50.0%	50.0%	—

(Note)

1: Long-term loans payable includes the current portion of long-term loans payable.



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- 2: After Issuance in the table above reflects the repayment of the 3rd series of unsecured investment corporation bonds (outstanding amount: ¥5,000 million yen) which will be redeemed on February 12, 2014.
- 3: Interest-bearing debt ratios are calculated as a matter of convenience using the following formula and then rounded to the nearest first decimal place:

$$\text{Interest-bearing debt ratio (\%)} = \text{Interest-bearing debt} \div (\text{Interest-bearing debt} + \text{Unitholders' capital}) \times 100$$

**5. Other Matters Required for Investors to Appropriately Understand and Evaluate the Above Information**

There will be no changes made to the content of the investment risk indicated in the Securities Report filed on September 26, 2013 with respect to the risks involved in repayment, etc. of the current issuance.

