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For Translation Purpose Only

For Immediate Release

Japan Prime Realty Investment Corporation
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Notice Concerning Borrowings

Japan Prime Realty Investment Corporation (JPR) today announced its decision to undertake borrowings as described below.

Details

1. Details of Borrowings

1. Lender	Aozora Bank, Ltd.	Bank of Tokyo-Mitsubishi UFJ, Ltd.	
2. Amount	¥2 billion	¥1 billion	¥1 billion
3. Interest Rate (per annum)	1.178 %	1.178 %	0.948 %
4. Type of Borrowing	Fixed rate of interest, unsecured, non-guaranteed	Fixed rate of interest, unsecured, non-guaranteed	Fixed rate of interest, unsecured, non-guaranteed
5. Drawdown Date	August 8, 2012	August 8, 2012	August 8, 2012
6. Repayment Method	Principal repayment in full on maturity.	Principal repayment in full on maturity.	Principal repayment in full on maturity.
7. Repayment Date	August 8, 2019	August 8, 2019	August 8, 2017

2. Use of Funds

JPR will undertake the borrowings to acquire of a specific asset (Yakuin Business Garden) and for other purposes. For details of the specific asset, please refer to the press release titled “Notice Concerning Property Acquisition (Conclusion of Contract)” dated July 9, 2012.

3. Itemization of Fund Use

- (1) Amount to be procured: ¥4 billion
(2) Use of funds: To partly finance the acquisition of a specific asset (Yakuin Business Garden)
(3) Loan date: August 8, 2012

4. Situation of Debts after Additional Borrowings

- 1) Total Borrowings and Investment Corporation Bonds Balance After Additional Borrowings

(Yen in millions)

	Balance prior to Additional Borrowings	Balance after Additional Borrowings	Change
Short-Term Loans Payable	14,100	14,100	—
Current Portion of Long-Term Loans Payable	17,643	17,643	—
Long-Term Loans Payable	105,338	109,338	4,000
Current Portion of Investment Corporation Bonds	—	—	—
Investment Corporation Bonds	42,500	42,500	—
Interest-Bearing Debt [Long-term interest-bearing debt portion(Note1)]	179,581 [147,838]	183,581 [151,838]	4,000 [4,000]

(Notes)

1. Long-term interest-bearing debt does not include current portion of Long-term loans payable and current portion of investment corporation bonds.
2. Interest-bearing debt is rounded to the nearest million yen.

- 2) Interest-Bearing Debt Ratio after Additional Borrowings

	Before Borrowings	After Borrowings	Percentage Point Change
Interest-Bearing Debt Ratio	48.5%	49.1%	0.6%
Long-Term Interest-Bearing Debt Ratio	82.3%	82.7%	0.4%

(Notes)

1. The above interest-bearing debt ratios are calculated as a matter of convenience using the following formulas:

Interest-bearing debt ratio (%) = Interest-bearing debt ÷ (Interest-bearing debt + Unitholders' capital) × 100

Unitholders' capital: ¥190,429 million

(Unitholders' capital is rounded to the nearest million)

Long-term interest-bearing liabilities ratio (%) = Long-term interest-bearing liabilities ÷ Interest-bearing liabilities × 100

2. The above long-term interest-bearing debt ratios are calculated as a matter of convenience using the following formulas:

Long-term interest-bearing debt ratio (%) = Long-term interest-bearing debt ÷ Interest-bearing debt × 100

3. Percentage figures are rounded to the nearest first decimal place.

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 March 26, 2012 with respect to the risks involved in repayment etc. of the current borrowing.