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For Translation Purposes Only

For Immediate Release

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Notice Concerning Determination of Price, etc. for the Issue of New Investment Units and Secondary Offering

Japan Prime Realty Investment Corporation (JPR) announced that it decided at the Board of Directors Meeting held today the issue price, offer price and other conditions as described below for the issue of new investment units and secondary offering that was resolved at the Board of Directors Meeting held on July 9, 2012.

Details

1. Issue of New Investment Units via Public Offering

(1) Total number of units to be offered	<u>101,420 units</u>
Total number of units to be offered in Domestic Primary Offering	<u>57,420 units</u>
Total number of units to be underwritten in Overseas Offering	<u>42,580 units</u>
Total number of units (maximum) to be additionally issued pursuant to an option to purchase the Investment Units to be granted to overseas underwriters involved in Overseas Offering	<u>1,420 units</u>
(2) Issue price (offer price) (note1)	<u>¥194,610 per unit</u>
(3) Total amount of issue price (offer price) (note2)	<u>¥19,737,346,200</u>

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

Also, this document does not constitute an offer to sell or a solicitation of any offer to buy the investment units in the United States. Investment units may not be offered or sold in the United States without registration or an exemption from registration under the United States Securities Act of 1933 (the "Securities Act"). Any public offering of investment units to be made in the United States will be made by means of an English language prospectus prepared in accordance with the Securities Act that may be obtained from JPR and that will contain detailed information about JPR and its management, as well as JPR's financial statements. However, no public offering or sale of the investment units referred to above is being made in the United States.

(4) Amount to be paid in (purchase price)(note1)	<u>¥188,222 per unit</u>
(5) Gross proceeds (total purchase price)(note2)	<u>¥19,089,475,240</u>
(6) Subscription period of Domestic Primary Offering	<u>July 24, 2012 (Tuesday) to July 25, 2012 (Wednesday)</u>
(7) Payment date	<u>July 30, 2012 (Monday)</u>
(8) Delivery date	<u>July 31, 2012 (Tuesday)</u>

Note:

1. The underwriter shall underwrite the units at the amount to be paid in (purchase price) and offer them at the issue price.
2. Maximum amount based on the assumption that the overseas underwriters have exercised all of their option to purchase the Investment Units

2. Secondary Offering (Over-Allotment)

(1) Total number of units to be offered	<u>8,580 units</u>
(2) Offer price	<u>¥194,610 per unit</u>
(3) Total amount of offer price	<u>¥1,669,753,800</u>
(4) Subscription period	<u>July 24, 2012 (Tuesday) to July 25, 2012 (Wednesday)</u>
(5) Delivery date	<u>July 31, 2012 (Tuesday)</u>

3. Third-Party Allotment

(1) Amount to be paid in (purchase price)	<u>¥188,222 per unit</u>
(2) Gross proceeds (total purchase price) (maximum)	<u>¥1,614,944,760</u>
(3) Subscription date	<u>August 28, 2012 (Tuesday)</u>

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(4) Payment date

August 29, 2012 (Wednesday)

Note: Investment units for which no application for subscription has been made by the subscription date shown in (3) above shall not be issued.

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1. Basis for Calculating the Issue Price and Offer Price

(1) Calculation date and price July 23, 2012 (Monday) ¥199,600

(2) Discount rate 2.50%

2. Syndicated Cover Transaction Period

July 26, 2012 (Thursday) to August 24, 2012 (Friday)

3. Use of Proceeds

JPR intends to use a part of the net proceeds (¥10,807,707,240) from the Domestic Primary Offering, the net proceeds from the Overseas Offering (maximum:¥8,281,768,000) and the net proceeds from the issuance of new investment units via third-party allotment (maximum:¥1,614,944,760) to pay a part of the acquisition costs (7 billion yen; including acquisition costs) of the specified assets (same meaning as defined in Article 2-1 of the Law Concerning Investment Trusts and Investment Corporations) as described below. The remaining proceeds may be used to repay borrowings by the end of September 2012. Details of the property to be acquired are described in the “Notice Concerning Property Acquisition (Conclusion of Contract) “Yakuin Business Garden”” separately announced on July 9, 2012. Regarding the use of proceed to the repayment of the loans payable, we announced “Notice Concerning Repayment of Borrowings”.

Property Number	Property to be Acquired	Acquisition Price (planned) (Millions of yen)	Settlement Date (planned)
Office C-20	Yakuin Business Garden	10,996	August 2012

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