



August 18, 2011

**For Translation Purpose Only**

**For Immediate Release**

Japan Prime Realty Investment Corporation  
Hirohito Kaneko  
Executive Officer  
(Securities Code: 8955)

Asset Management Company:  
Tokyo Realty Investment Management, Inc.  
Satoshi Okubo  
President and Chief Executive Officer

Inquiries: Katsuhito Ozawa  
Director and Chief Financial Officer  
TEL: +81-3-3516-1591

## Notice Concerning Borrowings

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

### Details

#### 1. Details of Borrowings (planned)

1. Lender	Aozora Bank, Ltd.
2. Amount	¥3,400 million
3. Interest Rate (Note 1)	Base interest rate (Japanese Yen TIBOR(Note 2) ) + 0.5%
4. Loan Type	Floating rate of interest No collateral. No guarantee.
5. Drawdown Date	August 26, 2011
6. Repayment Method	Principal repayment in full on maturity
7. Repayment Date	August 26, 2012

(Notes)

- 1: The first interest payment date shall be September 5, 2011 with subsequent payment dates on the 5th of every two months thereafter and on the repayment date (if such date is not a business day, the preceding business day).
- 2: Base interest rate to be applied for interest calculation period from August 26, 2011 to September 5, 2011 shall be the 1-month JBA Japanese Yen TIBOR as of two business days prior to the drawdown date. Thereafter,

the base interest rate to be applied for the subsequent interest calculation period concerning each interest payment date shall be the 2-month JBA Japanese Yen TIBOR as of two business days prior to the interest payment date. Please refer to the Japanese Bankers Association's website (<http://www.zenginkyo.or.jp/en/tibor/>) for the JBA Japanese Yen TIBOR.

## 2. Use of Funds

JPR will undertake short-term borrowings to refinance existing long-term borrowings as detailed in 3. below.

## 3. Itemization of Fund Use

JPR will use the funds to repay the following borrowings.

1. Lender	Aozora Bank, Ltd.
2. Amount	¥3,400 million
3. Drawdown Date	August 26, 2008
4. Repayment Date	August 26, 2011

## 4. Situation of Borrowings after Additional Borrowings

### 1) Total Borrowings and Corporate Bonds Balance After Additional Borrowings

(Yen in millions)

	Borrowings Balance prior to Additional Borrowings	Borrowings Balance after Additional Borrowings	Change
Short-Term Borrowings	10,000	13,400	3,400
Current Portion of Long-Term Borrowings	22,016	18,616	(3,400)
Long-Term Borrowings	80,847	80,847	—
Current Portion of Corporate Bonds	14,000	14,000	—
Corporate Bonds	33,500	33,500	—
Interest-Bearing Liabilities [Long-term interest-bearing liabilities portion]	160,363 [114,347]	160,363 [114,347]	— [—]

(Note) Long-term interest-bearing liabilities do not include the current portion of long-term borrowings and the current portion of corporate bonds.

### 2) Interest-Bearing Liabilities Ratio after Additional Borrowings

	Before Borrowings	After Borrowings	Percentage Point Change
Interest-Bearing Liabilities Ratio	48.3%	48.3%	—
Long-Term Interest-Bearing Liabilities Ratio	71.3%	71.3%	—

(Notes)

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

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

Unitholders' capital: ¥171,340 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. 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 28, 2011 with respect to the risks involved in repayment etc. due to the additional borrowings.