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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	Sompo Japan Insurance Inc.	Mitsubishi UFJ Trust and Banking Corporation
2. Amount	¥2,000 million	¥1,000 million
3. Interest Rate (p.a.) (Note)	0.8735 %	0.8430 %
4. Loan Type	Fixed rate of interest. No collateral. No guarantee.	Fixed rate of interest. No collateral. No guarantee.
5. Drawdown Date	June 27, 2012	June 27, 2012
6. Repayment Method	Principal repayment in full on maturity.	Principal repayment in full on maturity.
7. Repayment Date	December 25, 2015	June 26, 2015

##### **2. Use of Funds**

JPR will undertake long-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	Sompo Japan Insurance Inc.	Mitsubishi UFJ Trust and Banking Corporation
2. Amount	¥2,000 million	¥1,000 million
3. Drawdown Date	June 26, 2009	June 26, 2009
4. Repayment Date	June 27, 2012	June 27, 2012

#### 4. Situation of Borrowings after Additional Borrowings

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

(Yen in millions)

	Balance before Additional Borrowings	Balance after Additional Borrowings	Change
Short-Term Borrowings	20,600	20,600	—
Current Portion of Long-Term Borrowings (Note 3)	21,543	18,543	(3,000)
Long-Term Borrowings (Note 4)	101,438	104,438	3,000
Current Portion of Corporate Bonds	9,000	9,000	—
Corporate Bonds	42,500	42,500	—
Interest-Bearing Liabilities [Long-term interest-bearing liabilities portion (Note 1)]	195,081 [143,938]	195,081 [146,938]	— [3,000]

(Notes)

1. Long-term interest-bearing liabilities do not include current portion of long-term borrowings and current portion of corporate bonds.
2. Interest-bearing liabilities are rounded to the nearest million yen.
3. Current portion of long-term borrowings indicate figures after repayment of ¥424 million as agreed upon, which will become due for repayment on June 27, 2012.
4. Long-term borrowings indicate figures after repayment of ¥3.5 billion in long-term loans as announced in the press release titled “Notice Concerning Repayment of Borrowings” dated June 20, 2012.

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

	Before Borrowings	After Borrowings	Percentage Point Change
Interest-Bearing Liabilities Ratio	53.2%	53.2%	—
Long-Term Interest-Bearing Liabilities Ratio	73.8%	75.3%	1.5%

(Notes)

1. The above interest-bearing liabilities ratios are calculated as a matter of convenience using the following formulas:  
Interest-bearing liabilities ratio (%) =  $\text{Interest-bearing liabilities} \div (\text{Interest-bearing liabilities} + \text{Unitholders' capital}) \times 100$   
Unitholders' capital: ¥171,340 million  
(Unitholders' capital is rounded to the nearest million)
2. Long-term interest-bearing liabilities ratio (%) =  $\text{Long-term interest-bearing liabilities} \div \text{Interest-bearing liabilities} \times 100$
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.