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For Translation purpose only

For Immediate Release

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Notice Concerning Debt Funding Repayments

Japan Prime Realty Investment Corporation (JPR) today announced its debt funding repayments, brief details of which are set out below.

Details

1. Details of Debt Funding Repayments

	Short-Term Borrowings	
1. Lender	The Bank of Tokyo-Mitsubishi, Ltd.	
2. Borrowings Balance	¥3,000 million	¥3,500 million
3. Repayment Amount	¥3,000 million	¥3,500 million
4. Interest Rate	0.51% floating rate of interest	0.60% floating rate of interest
5. Drawdown Date	February 27, 2004	July 1, 2004
6. Repayment Method	Principal repayment in full on maturity	Principal repayment in full on maturity
7. Maturity Date	February 25, 2005	June 27, 2005
8. Collateral	None	None

	Short-Term Borrowings	
1. Lender	UFJ Bank Limited	
2. Borrowings Balance	¥2,000 million	¥3,500 million
3. Repayment Amount	¥2,000 million	¥3,500 million
4. Interest Rate	0.57% floating rate of interest	0.60% floating rate of interest
5. Drawdown Date	March 25, 2004	July 1, 2004
6. Repayment Method	Principal repayment in full on maturity	Principal repayment in full on maturity
7. Maturity Date	March 25, 2005	June 27, 2005
8. Collateral	None	None

	Short-Term Borrowings	
1. Lender	The Norinchukin Bank	The Chugoku Bank, Ltd.
2. Borrowings Balance	¥3,500 million	¥1,000 million
3. Repayment Amount	¥3,500 million	¥1,000 million
4. Interest Rate	0.60% floating rate of interest	0.55% floating rate of interest
5. Drawdown Date	July 1, 2004	May 27, 2004
6. Repayment Method	Principal repayment in full on maturity	Principal repayment in full on maturity
7. Maturity Date	June 27, 2005	May 27, 2005
8. Collateral	None	None

	Short-Term Borrowings	
1. Lender	The Chugoku Bank, Ltd.	Mizuho Corporate Bank, Ltd.
2. Borrowings Balance	¥1,000 million	¥1,500 million
3. Repayment Amount	¥1,000 million	¥1,500 million
4. Interest Rate	0.50% floating rate of interest	0.48833% floating rate of interest
5. Drawdown Date	November 8, 2004	November 8, 2004
6. Repayment Method	Principal repayment in full on maturity	Principal repayment in full on maturity
7. Maturity Date	November 8, 2005	March 31, 2005
8. Collateral	None	None

	Short-Term Borrowings	
1. Lender	Aozora Bank, Ltd.	The Hachijuni Bank, Ltd.
2. Borrowings Balance	¥1,100 million	¥1,000 million
3. Repayment Amount	¥1,100 million	¥1,000 million
4. Interest Rate	0.50% floating rate of interest	0.50% floating rate of interest
5. Drawdown Date	September 30, 2004	October 1, 2004
6. Repayment Method	Principal repayment in full on maturity	Principal repayment in full on maturity
7. Maturity Date	September 27, 2005	September 27, 2005
8. Collateral	None	None

Repayment total: Short-Term Borrowings ¥21,100 million
Long-Term Borrowings ¥ - million
Total ¥21,100 million

2. Repayment Source

Funds for the repayment of debt funding were provided from part of the gross proceeds (¥25 billion) raised through an additional issue of new investment units. Payments for the purchase of new investment units closed on February 1, 2005. (Please refer to JPR's press releases, "Notice Concerning Additional Issue of New Investment Units and Secondary Offering," dated January 13, 2005, and "Notice Concerning Pricing for Additional New Investment Units and Secondary Offering Units," dated January 24, 2005).

[For Reference]

1. Debt Funding and Corporate Bonds Balance after Repayment of Debt Funding

(Yen in millions)

	Balance prior to Repayment of Debt Funding	Balance after Repayment of Debt Funding	Change
Short-Term Borrowings	21,100	—	-21,100
Long-Term Borrowings	29,966	29,966	—
Corporate Bonds	42,000	42,000	—
Interest-Bearing Liabilities (of which is long-term interest-bearing liabilities)	93,066 (71,966)	71,966 (71,966)	-21,100 (—)

2. Interest-Bearing Liabilities Ratios after Repayment of Debt Funding

	Before Repayment of Debt Funding	After Repayment of Debt Funding	Percentage Point Change
Interest-Bearing Liabilities Ratio	51.1%	38.7%	-12.4
Long-Term Interest-Bearing Liabilities Ratio	77.3%	100.0%	22.7

Notes:

- 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' equity) x 100

(1) Unitholders' equity "Before Repayment of Debt Funding": ¥89,114 million

(2) Unitholders' equity "After Repayment of Debt Funding": ¥114,116 million

Note: Unitholders' equity after repayment equals unitholders' equity before repayment plus ¥25,001,815,000, representing gross proceeds from the additional issue of new investment units, for which payment closed on February 1, 2005. Unitholders' equity is rounded to the nearest million.

- Long-term interest-bearing liabilities ratio (%) = Long-term interest-bearing liabilities (= Long-term borrowings + Corporate bonds) ÷ Interest-bearing liabilities x 100
- Percentage figures are rounded off to one decimal place.