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For Translation Purposes Only
For Immediate Release

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Notice Concerning Borrowings

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

Details

1. Use of Funds

JPR will undertake borrowings for certain purposes including the acquisition of specified assets (Yurakucho Ekimae Building (Yurakucho Itocia)).

2. Details of Borrowings

1. Lender	Aozora Bank, Ltd.
2. Amount	¥3,400 million
3. Interest Rate (p.a.)	1.59250%
4. Loan Type	Fixed rate of interest. No collateral. No guarantee.
5. Drawdown Date	August 26, 2008
6. Repayment Method	Principal repayment in full on maturity
7. Repayment Date	August 26, 2011

3. 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	18,692	18,692	—
Current Portion of Long-Term Borrowings	—	—	—
Long-Term Borrowings	54,183	57,583	3,400
Current Portion of Corporate Bonds	—	—	—
Corporate Bonds	54,500	54,500	—
Interest-Bearing Liabilities [Long-term interest-bearing liabilities portion]	127,375 [108,683]	130,775 [112,083]	3,400 [3,400]

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

2) Interest-Bearing Liabilities Ratio after the Borrowings

	Before Borrowings	After Borrowings	Percentage Point Change
Interest-Bearing Liabilities Ratio	44.8%	45.5%	0.7
Long-Term Interest-Bearing Liabilities Ratio	85.3%	85.7%	0.4

(Note)

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

$$\text{Interest-bearing liabilities ratio (\%)} = \frac{\text{Interest-bearing liabilities}}{\text{Interest-bearing liabilities} + \text{Unitholders' capital}} \times 100$$
 Unitholders' capital: ¥156,725 million
 (Unitholders' capital is rounded to the nearest million)

$$\text{Long-term interest-bearing liabilities ratio (\%)} = \frac{\text{Long-term interest-bearing liabilities}}{\text{Interest-bearing liabilities}} \times 100$$
- Percentage figures are rounded to the nearest first decimal place.