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For Translation Purposes Only**For Immediate Release**

Japan Prime Realty Investment Corporation
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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 January 6, 2017.

Details

1. Issue of New Investment Units

(1) Issue price (offer price) (note)	<u>¥439,040 per unit</u>
(2) Total amount of issue price (offer price)	<u>¥20,898,304,000</u>
(3) Amount to be paid in (purchase price)(note)	<u>¥425,152 per unit</u>
(4) Gross proceeds (total purchase price)	<u>¥20,237,235,200</u>
(5) Subscription period	<u>From January 18, 2017 (Wednesday) to January 19, 2017 (Thursday)</u>
(6) Payment date	<u>January 24, 2017 (Tuesday)</u>
(7) Delivery date	<u>January 25, 2017 (Wednesday)</u>

Note: The underwriter shall underwrite the units at the amount to be paid in (purchase price) and offer them at the issue price (offer price).

Note: This document is a press release for a public announcement regarding the issue and secondary offering of investment units and has not been prepared for the purpose of soliciting any investment. We request readers to undertake investment decisions at their own judgment after having read carefully the prospectus and notice of amendments for the issuance of new investment units and secondary offering prepared by JPR.



2. Secondary Offering (Over-Allotment)

(1) Total number of investment units to be offered	<u>2,400 units</u>
(2) Offer price	<u>¥439,040 per unit</u>
(3) Total offer price	<u>¥1,053,696,000</u>
(4) Subscription period	<u>From January 18, 2017 (Wednesday) to January 19, 2017 (Thursday)</u>
(5) Settlement date	<u>January 25, 2017 (Wednesday)</u>

3. Third-Party Allotment

(1) Amount to be paid in (purchase price)	<u>¥425,152 per unit</u>
(2) Gross proceeds (total purchase price) (maximum)	<u>¥1,020,364,800</u>
(3) Subscription date	<u>February 13, 2017 (Monday)</u>
(4) Payment date	<u>February 14, 2017 (Tuesday)</u>

Note: Investment units for which no application for subscription has been made during 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	<u>January 17, 2017 (Tuesday)</u> <u>¥448,000</u>
(2) Discount rate	<u>2.00%</u>

2. Syndicated Cover Transaction Period

From January 20, 2017 (Friday) to February 9, 2017 (Thursday)

3. Use of Proceeds

JPR will use the proceeds of 20,237,235,200 yen from the Primary Offering and the proceeds from the issuance of new investment units through the third-party allotment (maximum of 1,020,364,800 yen) as the funds for acquisition of the asset to be acquired described below and part (2 billion yen) of repayment of borrowings (7 billion yen). The remaining amount will be cash on hand and will be used for future acquisition of specified assets (same meaning as defined in Article 2-1 of the Law Concerning Investment Trusts and Investment Corporations) or repayment of borrowings, if any (Note). Details of repayment of borrowings (7 billion yen) are described in the “Notice Concerning Early Repayment of Borrowings” separately announced today.

Property Number	Asset to be Acquired	Acquisition Price (planned) (Millions of yen)	Settlement Date (planned)
Office A-26	Tokyo Square Garden	18,400	February 2017 April 2017

(Note) JPR will deposit the procured funds in a financial institution until the time of expenditure.

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