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For Immediate Release

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Notice Concerning Interest Rate on Loans and Execution of Interest Rate Swap Agreement

Premier Investment Corporation ("PIC") announces that the applicable interest rates for the term loans to be conducted on August 31, 2016 (two agreements with a total borrowing amount of 2,250 million yen) have been determined as follows. And with regard to the term loans, PIC has executed interest rate swap agreement (hereinafter, "the Swap Agreement") for the one term loan with floating interest rate borrowings (with a total borrowing amount of 1,550 million yen; hereinafter, "the Debt Finance") as described below.

1. Interest Rate

	Term Loan 062	Term Loan 063
Lenders and Amount of Debt Finance	Sumitomo Mitsui Banking Corporation 1,000 million yen Sumitomo Mitsui Trust Bank, Limited 550 million yen Subtotal 1,550 million yen	Aozora Bank, Ltd. 700 million yen Subtotal 700 million yen
	Total 2,250 million yen	
Interest rate (p.a.)	Floating rate: 0.44000% (Note)	Fixed rate: 0.52380%
Applicable Period	From August 31, 2016 to November 30, 2016	From August 31, 2016 to August 30, 2024
Drawdown Date	August 31, 2016	
Repayment Date	August 30, 2024	
Reference	"Notice Concerning Debt Finance" dated August 25, 2016	

(Note) The Swap Agreement effectively fixes the interest rate (p.a.) at 0.52380% (refer to "2. The Swap Agreement" below).

2. The Swap Agreement

(1) Reason for Execution of the Swap Agreement

With regard to the Debt Finance, PIC seeks to hedge the risk of interest rate fluctuations by fixing, in effect, the interest rate applicable to the floating interest rate borrowings for the period through the repayment date of the Debt Finance.

(2) Details of the Swap Agreement

The details of the Swap Agreement are provided in the following table.

Counterparty	Sumitomo Mitsui Trust Bank, Limited
Notional Principal	1,550 million yen (Note 1)
Interest Rate (p.a.), etc. (Note 2)	Fixed interest rate payable: 0.52380% Floating interest rate receivable: TIBOR + 0.38% corresponding to the respective interest calculation periods
Commencement Date	August 31, 2016 (same date as the expected drawdown date for the Debt Finance)
Termination Date	August 30, 2024 (same date as the expected repayment date for the Debt Finance)
Interest Payment Dates	Both fixed interest payment and floating interest receipt shall be made on November 30, 2016 initially and subsequently on the end of February, May, August and November each year and the transaction termination date (or the preceding business day if the said date is not a business day).

(Note 1) The Swap Agreement with notional principal of 1,550 million yen is executed.

(Note 2) The Swap Agreement effectively fixes the interest rate (p.a.) at 0.52380% until the principal repayment date of the Debt Finance, as the floating interest rate receivable matches the floating interest rate payable of the Debt Finance. In the future, therefore, PIC will omit disclosure as to the determination of the floating interest rate receivable of the Swap Agreement and the floating interest rate payable of the Debt Finance (TIBOR + 0.38%).

3. Other Matters Required for Investors to Appropriately Understand and Evaluate the Above Information

There will be no change to the content of "Investment Risk / (2) Risk Related to Product Design and Related Parties / (iv) Risk Related to Loans and Investment Corporation Bonds" described in PIC's Securities Report filed on July 28, 2016, due to the Debt Finance and the Swap Agreements.

* The Japanese original document was distributed to press clubs within the Tokyo Stock Exchange, Ministry of Land,

Infrastructure, Transport and Tourism, and the construction trade newspaper of the Ministry of Land, Infrastructure, Transport and Tourism.

* PIC's website is <http://www.pic-reit.co.jp>

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