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For Translation Purpose Only
For Immediate Release

Japan Prime Realty Investment Corporation
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Notice Concerning Issuance of Investment Corporation Bonds

Japan Prime Realty Investment Corporation (JPR) today announced its decision to issue investment corporation bonds, as outlined below.

1. Overview of Investment Corporation Bonds

(1)	Name	Japan Prime Realty Investment Corporation 23rd Series of Unsecured Investment Corporation Bonds (with special pari passu conditions among specified investment corporation bonds) (hereinafter referred to as “Bonds”)
(2)	Total Issue Amount	¥3 billion
(3)	Form of Bond Certificate	Pursuant to the Law Concerning Book-Entry Transfer of Company Bonds, Shares, Etc. which is applicable to the Bonds, certificates for the Bonds will not be issued.
(4)	Amount to be Paid in (issue price)	¥100 per ¥100 of the investment corporation bonds
(5)	Redemption Price	¥100 per ¥100 of the investment corporation bonds
(6)	Interest Rate	0.550% per annum
(7)	Denomination	¥100 million
(8)	Offering Method	Public offering
(9)	Subscription Period	May 25, 2018
(10)	Payment Date	May 31, 2018
(11)	Collateral	The Bonds will be issued on an unsecured, unguaranteed basis and without the backing of specific assets.
(12)	Redemption Date and Method	The total amount of the Bonds will be redeemed on May 31, 2028. Note: The Bonds may be repurchased and cancelled at the option of JPR at any time on and after the day after the payment date, unless otherwise determined by the book-entry transfer agent.
(13)	Interest Payment Date	May 31 and November 30 of each year
(14)	Ratings	AA- Rating and Investment Information, Inc. A S&P Global Ratings Japan Inc.
(15)	Financial Covenants	The Bonds contain negative pledge.
(16)	Fiscal Agent, Issue Agent and Payment Agent	Mizuho Bank, Ltd.
(17)	Underwriter	Mizuho Securities Co., Ltd. SMBC Nikko Securities Inc.

2. Reason and Purpose for Issue

JPR will undertake this borrowing to fund the redemption of investment corporation bonds of ¥5,000 million which will become due for redemption on May 31, 2018.

3. Amount, Detail Use and Expected Dates of Expenditure of Funds to be Procured

- 1) Amount of Funds to be Procured (approximate net amount JPR will obtain)
¥2,972 million yen
- 2) Detail Use and Expected Dates of Expenditure of Funds to be Procured
Redemption of the part of the existing investment corporation bonds of ¥5,000 million which will be redeemed on May 31, 2018

4. Status of Borrowings after the Bond Issuance

(Yen in millions)

	Before Issuance	After Issuance (as of May 31, 2018)	Change
Short-Term Loans Payable	0	0	-
Long-Term Loans Payable	151,728	151,728	-
Investment Corporation Bonds	29,500	29,500	-
Interest-Bearing Debt	181,228	181,228	-
Interest-Bearing Debt Ratio	40.6%	40.6%	-

(Note 1) Long-term loans payable and investment corporation bonds each include the current portions.

(Note 2) Ratio of Interest-Bearing Debt to Total Assets mentioned above is calculated using the following formula and then rounded to the first decimal place:

Ratio of Interest-Bearing Debt to Total Assets (%) = Interest-Bearing Debt ÷ Total Assets x 100

Total Assets is calculated by adding or subtracting the increase or decrease in Interest-Bearing Debt after the end of the fiscal period ended December 31, 2017 to the total assets as of the end of the fiscal period ended December 31, 2017.

(Note 3) After Issuance in the table above reflects the funds procured through the issuance of investment corporation bonds for the redemption of the 17th Series of Unsecured Bonds.

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, 2018 with respect to the risks involved in repayment, etc. of the current issuance.

*JPR website: <http://www.jpr-reit.co.jp/en>