

July 19, 2018

For Immediate Release

**REIT Issuer**

Premier Investment Corporation  
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Executive Director

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(Securities Code 8956)

**Asset Management Company**

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## Notice Concerning Debt Finance

Premier Investment Corporation (“PIC”) announces the decision made at its board of directors' meeting held today to borrow funds (hereinafter, the “Debt Finance”) as described below.

### 1. Reason for the Debt Finance

To fund part of the redemption of corporate bond of 7,500 million yen maturing on July 25, 2018 (Note 1). And PIC plans to redeem the balance of 6,000 million yen by issuing corporate bond (Approximate net proceeds 5,962 million yen) (Note 2) and cash on hand.

(Note 1) Reference: “Notice Concerning Issuance of Corporate Bonds” dated July 4, 2013

(Note 2) Reference: “Notice Concerning Issuance of Corporate Bonds” dated July 13, 2018

### 2. Details of the Debt Finance

The Debt Finance involves the borrowing of one term loan (long-term loan). The details are provided in the following tables.

Contract Number	Term loan 080
Expected Drawdown Date and Expected Disbursement Date	July 24, 2018
Lenders and Amount of Debt Finance	Mizuho Bank, Ltd. : 1,000 million yen Sumitomo Mitsui Trust Bank, Limited : 500 million yen total : 1,500million yen
Borrowing Method	The loan agreements dated July 20, 2018 with the lenders indicated above
Repayment Date	July 24, 2028
Repayment Period	10 years
Repayment Method	Lump-sum repayment upon maturity
Interest Rate (p.a.), etc.	Floating rate: TIBOR + 0.40% corresponding to the respective interest calculation periods (Note)
Collateral / Guarantee	Unsecured and non-guaranteed
Special Notes	Sumitomo Mitsui Trust Bank, Limited falls under the category of an interested party, etc. as defined in the “Regulations on transactions with interested parties,” which is an internal rule of Premier REIT Advisors Co., Ltd. (“PRA”), the asset management company for PIC. As such, Debt Finance from Sumitomo Mitsui Trust Bank, Limited has been deliberated and approved by PRA's board of directors in compliance with such regulations.

(Note) Interest rate applicable for the initial interest calculation period has not yet been determined (to be determined on July 20, 2018).

The initial interest calculation period shall be from July 24, 2018 to August 31, 2018, with the subsequent interest periods ending at the end of February, May, August and November each year (or the preceding business day if the said date is not a business day). The final interest calculation period shall be from the day following the immediately preceding interest payment date through the principal repayment date (or the preceding business day if the said date is not a business day).

There will be an announcement regarding the interest rate fixed on the basis of the interest rate swap agreements to be arranged, once such details have been determined (to be determined on July 20, 2018).

### 3. Outstanding Interest-Bearing Liabilities after the Debt Finance

(million yen)

	Prior to the Debt Finance	After the Debt Finance	Variation
Short-term loans	3,400	3,400	-
Long-term loans	97,100	98,600	1,500
Total loans	100,500	102,000	1,500
Corporate bonds (Note 1)	12,500	11,000	-1,500
Total interest-bearing liabilities	113,000	113,000	-
Interest-bearing liabilities ratio (%) (Note 2)	48.4	48.4	-

(Note 1) In addition to the borrowing of the term-loan, PIC will be issuing the corporate bonds (6,000 million yen).

(Note 2) Interest-bearing liabilities ratio = interest-bearing liabilities ÷ (interest-bearing liabilities + unitholders' capital) x 100.

The value used for the unitholders' capital is 120,350,148,784 yen, which is the value of the unitholders' capital as of today.

### 4. 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 January 30, 2018, due to the Debt Finance.

- \* 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>
- \*\* Neither PIC nor Premier REIT Advisors Co., Ltd. makes any assurance or warranty with respect to the completeness or accuracy of this English translation. For more complete and accurate information, please refer to the original announcement in Japanese.