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For Immediate Release

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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 the repayment of loan of 1,940 million yen in a short-term loan maturing on July 31, 2018 (Note). As for the difference of 345 million yen between the procured amount and the redeemed amount, PIC plans to compensate it from cash on hand.

(Note) Reference:
“Notice Concerning Debt Finance” dated July 25, 2017
“Notice Concerning Partial Early Repayment of Loans” dated November 27, 2017

2. Details of the Debt Finance

The Debt Finance involves the borrowing of a term loan (short-term loan). The details are provided in the following table.

Contract Number	Term loan 081
Expected Drawdown Date and Expected Disbursement Date	July 31, 2018
Lenders and Amount of Debt Finance	Sumitomo Mitsui Trust bank, Limited 970 million yen Mizuho Bank, Ltd. 480 million yen <u>Sumitomo Mitsui Banking Corporation</u> 145 million yen Total 1,595 million yen
Borrowing Method	The loan agreement dated July 27, 2018 with the lenders indicated above
Repayment Date	July 31, 2019
Repayment Period	1 year
Repayment Method	Lump-sum repayment upon maturity
Interest Rate (p.a.), etc.	Floating rate: 1-month TIBOR + 0.18% (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) The first interest payment date shall be August 31, 2018, and subsequent interest payment dates shall be the final day of each month and on the principal repayment date (or the preceding business day if the said date is not a business day).
The base rate applicable to the respective interest calculation periods shall be, for the first interest payment, the JBA (Japanese Bankers Association) 1-month Japanese Yen TIBOR on July 27, 2018 and, for the subsequent interest payments, the 1-month Japanese Yen TIBOR on the day two business days before the immediately preceding interest payment date.
Details of the JBA Japanese Yen TIBOR can be checked on the JBA TIBOR Administration website (<http://www.jbatibor.or.jp/english/>).

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	3,055	(345)
Long-term loans	98,600	98,600	-
Total loans	102,000	101,655	(345)
Corporate bonds	11,000	11,000	-
Total interest-bearing liabilities	113,000	112,655	(345)
Interest-bearing liabilities ratio (%) (Note)	48.4	48.3	(0.1)

(Note) Interest-bearing liability 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>
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