

July 13, 2018

For Immediate Release

REIT Issuer

Premier Investment Corporation
1-2-70 Konan, Minato Ward, Tokyo
Executive Director

Tatsuya Takahashi
(Securities Code 8956)

Asset Management Company

Premier REIT Advisors Co., Ltd.
President & CEO
[Contact]
Director & CFO, Finance Department

Shigehito Katsuki
Tatsuya Takahashi
TEL: +81-3-6630-4611

Notice Concerning Issuance of Corporate Bonds

Premier Investment Corporation (“PIC”) announces its decision to issue the following corporate bonds on July 13, 2018.

1. Overview of Corporate Bonds

Name of Corporate Bonds	Premier Investment Corporation No.7 Unsecured Corporate Bonds (subject to a limited pari passu clause between specified corporate bonds) (“Unsecured Bond No.7”)	Premier Investment Corporation No.8 Unsecured Corporate Bonds (subject to a limited pari passu clause between specified corporate bonds) (“Unsecured Bond No.8”)
	Unsecured Bond No.7 and Unsecured Bond No.8 are expressed together below as these “Unsecured Bonds”. Further, in the items below, matters common for these Unsecured Bonds have been expressed together.	
Reason and Purpose of Issuance	PIC will issue these Unsecured Bonds in an effort to disperse the repayment dates of interest-bearing liabilities, extend the average remaining period to maturity and diversify fund procurement methods.	
Total Issue Price	2,000 million yen	4,000 million yen
Certificates	These Unsecured Bonds are subject to the Act on Book-Entry Transfer of Corporate Bonds and Shares, and no corporate bond certificate will be issued.	
Issue Price	100 yen per 100 yen of each corporate bond	
Redemption Price	100 yen per 100 yen of each corporate bond	
Interest Rate	0.25 % per annum	0.58 % per annum
Amount of Respective Corporate Bonds	100 million yen	
Method of Offering	Public offering	
Subscription Period	July 13, 2018	
Payment Date	July 24, 2018	
Collateral	These Unsecured Bonds are unsecured and unguaranteed. There is also no particular asset retained for these Unsecured Bonds.	
Redemption Method and Maturity	The total amount of the Unsecured Bond No.7 will be redeemed on July 24, 2023.	The total amount of the Unsecured Bond No.8 will be redeemed on July 24, 2028.
	PIC may redeem its corporate bonds by purchase at any time after the day following the payment date, except for cases separately stipulated by Japan Securities Depository Center, Inc., the book-entry transfer company.	
Interest Payment Dates	January 24 and July 24 of each year (Note)	
Ratings	AA- (Japan Credit Rating Agency, Ltd.)	
Financial Covenants	“Negative Pledge Clause” is applicable	
Fiscal Agent, Issuing Agent and Paying Agent	Sumitomo Mitsui Trust Bank, Limited	
Underwriting Securities	SMBC Nikko Securities Inc. and Mizuho Securities Co, Ltd.	
Special Remarks	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. Accordingly, the consignment of fiscal agent to Sumitomo Mitsui Trust Bank, has been deliberated and approved by PRA’s board of directors in compliance with such regulations.	

(Note) The initial interest payment date is set for January 24, 2019. Subsequently, if an interest payment date is not a business day, payment shall be made on the preceding business day.

2. Amount and Use of Funds to be Raised and Schedule for Expenditures

(1) Amount of funds to be raised (approximate net proceeds)

5,962 million yen

The amount obtained by deducting the issuance cost (approximately 38 million yen) from total issue price of these Unsecured Bonds (6,000 million yen).

(2) Specific use of funds to be raised and schedule for expenditures

The funds will be used to redeem part of PIC's Unsecured Bond No.4 (Note), of 7,500 million yen, which is scheduled to mature on July 25, 2018.

As for the difference of 1,538 million yen between the procured amount and the redeemed amount, PIC plans to compensate it through new debt financing (the Debt Finance) and from cash on hand. PIC will announce the details of the Debt Finance as soon as they are determined.

(Note) Reference: "Notice Concerning Issuance Corporate Bonds" dated July 4, 2013.

3. Outstanding Interest-Bearing Liabilities after the Issuance of these Unsecured Bonds

(million yen)

	Prior to the Issuance of the Corporate Bonds	After Prior to the Issuance of the Corporate Bonds	Variation
Short-term loans	3,400	3,400	-
Long-term loans (Note 1)	97,100	98,600	1,500
Total loans	100,500	102,000	1,500
Corporate bonds	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) It is assumed that, in addition to the issuance of these Unsecured Bonds, PIC will procure 1,500 million yen in a long-term loan through the Debt Finance.

(Note 2) Interest-bearing liabilities ratio = interest-bearing liabilities ÷ (interest-bearing liabilities + unitholders' capital) × 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 issuance of these Unsecured Bonds.

- * 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.