

March 23, 2018

For Immediate Release

REIT Issuer

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## Notice Concerning Interest Rate on Loans and Execution of Interest Rate Swap Agreements

Premier Investment Corporation ("PIC") announces that the applicable interest rates for the term loans to be conducted on March 27, 2018 (four agreements with a total borrowing amount of 7,900 million yen; hereinafter, the "Debt Finance" individually and collectively) have been determined as follows. And with regard to the Debt Finance, PIC has executed interest rate swap agreements (hereinafter, the "Swap Agreement" individually and collectively) for the two term loans with floating interest rate borrowings (Term loans 076 and 077 with a total borrowing amount of 5,300 million yen) as described below.

### 1. Interest Rate

(1) Term loan 075

Lenders and Amount of Debt Finance	Aozora Bank, Ltd. :	1,100 million yen
Interest rate (p.a.)	Fixed rate: 0.40005%	
Applicable Period	From March 27, 2018 to March 27, 2023	
Drawdown Date	March 27, 2018	
Repayment Date	March 27, 2023	
Reference	"Notice Concerning Debt Finance" dated March 22, 2018	

(2) Term loan 076

Lenders and Amount of Debt Finance	Sumitomo Mitsui Banking Corporation :	1,500 million yen
Interest rate (p.a.)	Floating rate: 0.38909% (Note)	
Applicable Period	From March 27, 2018 to May 31, 2018	
Drawdown Date	March 27, 2018	
Repayment Date	March 27, 2025	
Reference	"Notice Concerning Debt Finance" dated March 22, 2018	

(Note) The Swap Agreement effectively fixes the interest rate (p.a.) of the Debt Finance at 0.54505% (refer to "2. The Swap Agreement" below).

(3) Term loan 077

Lenders and Amount of Debt Finance	Sumitomo Mitsui Trust Bank, Limited :	2,600 million yen
	Resona Bank, Ltd. :	1,200 million yen
	Subtotal :	3,800 million yen
Interest rate (p.a.)	Floating rate: 0.41909% (Note)	
Applicable Period	From March 27, 2018 to May 31, 2018	
Drawdown Date	March 27, 2018	
Repayment Date	March 27, 2026	
Reference	"Notice Concerning Debt Finance" dated March 22, 2018	

(Note) The Swap Agreement effectively fixes the interest rate (p.a.) of the Debt Finance at 0.61125% (refer to "2. The Swap Agreement" below).

(4) Term loan 078

Lenders and Amount of Debt Finance	The Bank of Tokyo-Mitsubishi UFJ, Ltd. :	1,500 million yen
Interest rate (p.a.)	Fixed rate: 0.61125%	
Applicable Period	From March 27, 2018 to March 27, 2026	
Drawdown Date	March 27, 2018	
Repayment Date	March 27, 2026	
Reference	"Notice Concerning Debt Finance" dated March 22, 2018	

### 2. The Swap Agreement

(1) Reason for Execution of the Agreements

With regard to the Debt Finance, PIC seeks to hedge the risk of interest rate fluctuations for the two term loans with floating interest rate borrowings by fixing, in effect, the interest rate applicable to the floating interest rate

borrowings for the period through the repayment date of the term loans as described below.

(2) Details of the Agreements

1) The details of the Swap Agreement concerning Term loan 076

Contract Number	Interest rate swap agreement 025
Counterparty	Sumitomo Mitsui Trust Bank, Limited
Notional Principal	1,500 million yen
Interest Rate (p.a.), etc.	Fixed interest rate payable: 0.54505% Floating interest rate receivable: TIBOR + 0.32% corresponding to the respective interest calculation periods (Note)
Commencement Date	March 27, 2018 (same date as the drawdown date for the Debt Finance)
Termination Date	March 27, 2025 (same date as the repayment date for the Debt Finance)
Interest Payment Dates	Both fixed interest payment and floating interest receipt shall be made on May 31, 2018 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) The Swap Agreement effectively fixes the interest rate (p.a.) at 0.54505% 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 + 0.32%).

2) The details of the Swap Agreement concerning Term loan 077

Contract Number	Interest rate swap agreement 026
Counterparty	Sumitomo Mitsui Trust Bank, Limited
Notional Principal	3,800 million yen
Interest Rate (p.a.), etc.	Fixed interest rate payable: 0.61125% Floating interest rate receivable: TIBOR + 0.35% corresponding to the respective interest calculation periods (Note)
Commencement Date	March 27, 2018 (same date as the drawdown date for the Debt Finance)
Termination Date	March 27, 2026 (same date as the repayment date for the Debt Finance)
Interest Payment Dates	Both fixed interest payment and floating interest receipt shall be made on May 31, 2018 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) The Swap Agreement effectively fixes the interest rate (p.a.) at 0.61125% 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 + 0.35%).

**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 January 30, 2018, due to the Debt Finance and the Swap Agreement.

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

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