

March 22, 2018

For Immediate Release

REIT Issuer

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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 7,900 million yen in a long-term loan maturing on March 27, 2018 (Note).

(Note) Reference: "Notice Concerning Debt Finance" dated March 25, 2013

2. Details of the Debt Finance

The Debt Finance involves the borrowing of four term loans (long-term loans with a total borrowing amount of 7,900 million yen). The details are provided in the following tables.

(1) Term loan 075

Expected Drawdown Date and Expected Disbursement Date	March 27, 2018
Lenders and Amount of Debt Finance	Aozora Bank, Ltd. : 1,100 million yen
Borrowing Method	The loan agreement dated March 23, 2018 with the lender indicated above
Repayment Date	March 27, 2023
Repayment Period	5 years
Repayment Method	Lump-sum repayment upon maturity
Interest Rate (p.a.), etc.	Fixed rate: to be determined on March 23, 2018
Collateral / Guarantee	Unsecured and non-guaranteed

(2) Term loan 076

Expected Drawdown Date and Expected Disbursement Date	March 27, 2018
Lenders and Amount of Debt Finance	Sumitomo Mitsui Banking Corporation : 1,500 million yen
Borrowing Method	The loan agreement dated March 23, 2018 with the lender indicated above
Repayment Date	March 27, 2025
Repayment Period	7 years
Repayment Method	Lump-sum repayment upon maturity
Interest Rate (p.a.), etc.	Floating rate: TIBOR + 0.32% corresponding to the respective interest calculation periods (Note)
Collateral / Guarantee	Unsecured and non-guaranteed

(Note) Interest rate applicable for the initial interest calculation period has not yet been determined (to be determined on March 23, 2018).

The initial interest calculation period shall be from March 27, 2018 to May 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 March 23, 2018).

(3) Term loan 077

Expected Drawdown Date and Expected Disbursement Date	March 27, 2018
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
Borrowing Method	The loan agreements dated March 23, 2018 with the lenders indicated above
Repayment Date	March 27, 2026
Repayment Period	8 years
Repayment Method	Lump-sum repayment upon maturity
Interest Rate (p.a.), etc.	Floating rate: TIBOR + 0.35% 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 March 23, 2018).

The initial interest calculation period shall be from March 27, 2018 to May 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 March 23, 2018).

(4) Term loan 078

Expected Drawdown Date and Expected Disbursement Date	March 27, 2018
Lenders and Amount of Debt Finance	The Bank of Tokyo-Mitsubishi UFJ, Ltd. : 1,500 million yen
Borrowing Method	The loan agreement dated March 23, 2018 with the lender indicated above
Repayment Date	March 27, 2026
Repayment Period	8 years
Repayment Method	Lump-sum repayment upon maturity
Interest Rate (p.a.), etc.	Fixed rate: to be determined on March 23, 2018
Collateral / Guarantee	Unsecured and non-guaranteed

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	97,100	-
Total loans	100,500	100,500	-
Corporate bonds	12,500	12,500	-
Total interest-bearing liabilities	113,000	113,000	-
Interest-bearing liabilities ratio (%) (Note)	48.4	48.4	-

(Note) 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>

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