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For Immediate Release

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Notice Concerning Impact of the Ruling of Commencement of Bankruptcy Proceedings with Respect to re-plus inc.

Premier Investment Corporation (“PIC”) announces that the ruling of commencement of bankruptcy proceedings with respect to re-plus inc. (“re-plus”) as of September 24, 2008 will have the following impact on PIC.

1. Impact on PIC

- (i) PIC’s relationship with re-plus
There is no direct contractual relationship between PIC and re-plus. However, agreements on entrustment of guarantee that appoint re-plus as joint and several guarantor for rent and other obligations are entered into among the master lessee, end tenants and re-plus with respect to some of the lease agreements on residential properties in PIC’s portfolio (the guarantee for rent and other obligations based on such agreements referred to hereinafter as the “Late Rent Guarantee System”).
- (ii) Impact of commencement of bankruptcy proceedings with respect to re-plus
When an end tenant using the Late Rent Guarantee System falls behind in their rent and other amounts payable, the master lessee is to charge re-plus a subrogation payment for such rent and other amounts payable. In the event that re-plus fails to make the subrogation payment as a result of its commencement of bankruptcy proceedings, there arise concerns about delayed collection of some of the back rent and other amounts payable or such becoming uncollectible.
- (iii) State of delinquency of end tenants using the Late Rent Guarantee System
 - a. Number of units: 32 units
 - b. Rent: Approximately 5 million yen
(Note) The number of units and amount are the figures as of September 24, 2008 which the master lessee charges re-plus as the joint and several guarantor for a subrogation payment.

2. Impact on Business Performance

The impact of the above fact on PIC’s business performance is negligible and thus there are no changes to the forecast of business performance for the fiscal period ended in October 2008 (May 1, 2008 – October 31, 2008) issued on June 13, 2008. PIC will promptly announce if new facts on future conditions, etc. are found.

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

**Please note that this English translation of the Japanese original document is provided solely for information purposes. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.