

**Rating Action: Moody's affirms PIC's Baa1 rating with stable outlook**

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**Global Credit Research - 27 Apr 2010**

Tokyo, April 27, 2010 -- Moody's Investors Service has today affirmed its Baa1 the issuer and senior unsecured long-term debt ratings on the Premier Investment Corporation ("PIC") with stable outlook.

This rating action follows that announcement on April 26, 2010, and a subsequent analysts' meeting on April 27, that NTT Urban Development Corporation (Aa3, "NTTUD") would acquire from sponsors more than 50% of their shares in PIC's asset management company, Premier REIT Advisors Co., Ltd.

This would be followed by the shareholder's appointing the asset management company's directors, officers, and other personnel.

PIC would then allocate its new investment units to NTTUD, which would in turn grant PIC preferential negotiation rights for property acquisitions.

According to PIC, this acquisition will provide a new pipeline support for office buildings, as well as financial stability. Moreover, cost-cutting by the new very creditworthy main sponsor will have a positive effect on PIC's creditworthiness if realized as PIC expects.

Moody's does not believe that acquisition will have a dramatic influence on PIC's conservative financial strategy.

Moody's, through interviews with Asset Management Company, will assess the company's new portfolio, financial strategies, and management style.

Moody's previous rating action on PIC took place on April 21, 2009, when the rating agency downgraded its issuer rating and senior unsecured long-term debt ratings to Baa1 with a stable outlook from A3. (The rating had been placed under review for possible downgrade on January 15, 2009.)

The principal methodology used in rating real estate investment trusts is Moody's "Rating Methodology for REITs and Other Commercial Property Firms," published in January 2006, which can be found at [www.moody's.com](http://www.moody's.com) in the Research & Ratings directory, in the Rating Methodologies subdirectory.

Other methodologies and factors that may have been considered in the process of rating this issue can also be found in the Rating Methodologies subdirectory.

Premier Investment Corporation is a J-REIT that invests in and manages office buildings and residential properties. Its operating revenue for the first half of FYE 3/2010 (ended October 31, 2009) was approximately JPY5.3 billion.

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