

July 20, 2018

For Immediate Release

REIT Issuer

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Notice Concerning Interest Rate on Loan 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 July 24, 2018 (one agreement with a total borrowing amount of 1,500 million yen; hereinafter, the "Debt Finance") have been determined as follows. And with regard to the Debt Finance, PIC has executed interest rate swap agreements (two agreements; hereinafter, the "Swap Agreement" individually and collectively) for the Debt Finance as described below.

1. Interest Rate

Contract Number	Term loan 080	
Lenders and Amount of Debt Finance	Mizuho Bank, Ltd. :	1,000 million yen
	Sumitomo Mitsui Trust Bank, Limited :	500 million yen
	Total :	1,500 million yen
Interest Rate (p.a.)	Floating rate: 0.45364% (Note)	
Applicable Period	From July 24, 2018 to August 31, 2018	
Drawdown Date	July 24, 2018	
Repayment Date	July 24, 2028	
Reference	"Notice Concerning Debt Finance" dated July 19, 2018	

(Note) The Swap Agreement effectively fixes the interest rate (p.a.) of the Debt Finance at 0.76755% (refer to "2. The Swap Agreement" below).

2. The Swap Agreement

(1) Reason for Execution of the Agreements

With regard to the Debt Finance with floating interest rate borrowing (one agreement), PIC seeks to hedge the risk of interest rate fluctuations by fixing, in effect, the interest rate applicable to the floating interest rate borrowing for the period through the repayment date of the term loan as described below.

(2) Details of the Agreements

Contract Number	Interest rate swap agreement 027	Interest rate swap agreement 028
Counterparty	Mizuho Bank, Ltd.	Sumitomo Mitsui Trust Bank, Limited
Notional Principal	1,000 million yen	500 million yen
Interest Rate (p.a.), etc.	Fixed interest rate payable: 0.76755% Floating interest rate receivable: TIBOR + 0.40% corresponding to the respective interest calculation periods (Note)	
Commencement Date	July 24, 2018 (same date as the drawdown date for the Debt Finance)	
Termination Date	July 24, 2028 (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 August 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 0.76755% 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 + 0.40%).

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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