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For Translation Purpose Only
For Immediate Release

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Notice Concerning Issuance of Investment Corporation Bonds (Green Bonds)

Japan Prime Realty Investment Corporation (JPR) today announced its decision to issue investment corporation bonds (Green Bonds), as outlined below.

Details**1. Overview of Investment Corporation Bonds**

(1)	Name	Japan Prime Realty Investment Corporation 25th Series of Unsecured Investment Corporation Bonds (with special pari passu conditions among specified investment corporation bonds) (Green Bonds) (hereinafter referred to as the “Green Bonds”; also known as “JPR Green Bonds”)
(2)	Total Issue Amount	¥6,000 million
(3)	Form of Bond Certificate	Pursuant to the Law Concerning Book-Entry Transfer of Company Bonds, Shares, Etc. which is applicable to the Green Bonds, certificates for the Green Bonds will not be issued.
(4)	Amount to be Paid in (issue price)	¥100 per ¥100 of the investment corporation bonds
(5)	Redemption Price	¥100 per ¥100 of the investment corporation bonds
(6)	Interest Rate	0.510% per annum
(7)	Denomination	¥100 million
(8)	Offering Method	Public offering
(9)	Subscription Period	November 19, 2020
(10)	Payment Date	November 26, 2020
(11)	Collateral	The Green Bonds will be issued on an unsecured, unguaranteed basis and without the backing of specific assets.
(12)	Redemption Date and Method	The total amount of the Green Bonds will be redeemed on November 26, 2030. Note: The Green Bonds may be repurchased and cancelled at the option of JPR at any time on and after the day after the payment date, unless otherwise determined by the book-entry transfer agent.
(13)	Interest Payment Date	May 26 and November 26 of each year
(14)	Ratings	AA- Rating and Investment Information, Inc. A S&P Global Ratings Japan Inc.
(15)	Financial Covenants	The Bonds contain negative pledge.
(16)	Fiscal Agent, Issue Agent and Payment Agent	Mizuho Bank, Ltd.
(17)	Underwriter	SMBC Nikko Securities Inc. Mizuho Securities Co., Ltd.

2. Reason and Purpose for Issue

Positioning sustainability initiatives as important management issues, JPR has decided to issue the Green Bonds based on its belief that such will contribute to the enhancement of stable fundraising methods for JPR's through the expansion of J-REITs investor base while further promoting ESG initiatives.

JPR obtained Green 1 (F) rating, the highest possible, in a "Green Finance Framework Evaluation" by Japan Credit Rating Agency, Ltd. (JCR), which is a third-party evaluation organization, regarding the eligibility of its Green Finance Framework (Note 1), and the Green Bonds will be issued based on the applicable framework.

(Note 1) For details of the Green Finance Framework, please refer to JCR website (Green Finance Evaluation)

<https://www.jcr.co.jp/en/greenfinance/green/>

3. Amount, Detail Use and Expected Dates of Expenditure of Funds to be Procured

1) Amount of Funds to be Procured (approximate net amount JPR will obtain)

¥5,950 million yen

2) Detail Use and Expected Dates of Expenditure of Funds to be Procured

The entire amount of proceeds from the issuance of the Green Bonds will be used for the repayment of loans needed to purchase Eligible Green Assets (Note 1) (JPR Sendagaya Building) (including loans for subsequent refinancing). Specifically, JPR plans to use the funds to repay the long-term borrowing of ¥6,000 million due for repayment on November 27, 2020.

Until the procured funds are allocated to the projects for which they are planned to be used, they will be accounted for as cash and cash equivalents (certificates of deposits, etc.).

(Note 1) Eligible Green Assets will be selected from among assets which have received or will receive certification under either of the following standards

a) DBJ Green Building Certification (Note 2): 3 Stars, 4 Stars or 5 Stars

b) CASBEE (Note 3): B+ Rank, A Rank or S Rank

(Note 2) "DBJ Green Building Certification" is a five-star scale evaluation system launched by Development Bank of Japan Inc. ("DBJ"), giving certifications to properties with proper care to environment and society (Green Building), based on the comprehensive scoring model developed by DBJ.

(Note 3) "Certification for CASBEE (Comprehensive Assessment System for Built Environment Efficiency) for Real Estate" is an evaluation system (from Rank C to Rank S) for rating the overall environmental performance of buildings on energy-conservation, resource-saving, recyclability and other aspects for reducing environmental burdens, as well as landscape preservation.

4. Investors Who Declared Investment in the Green Bonds

Listed below are investors who declared investment in the Green Bonds and agreed to disclosure of their names as of today (companies are listed in Japanese syllabary order).

- Credit Guarantee Corporation of Osaka
- The Kita Osaka Shinkin Bank
- GUNMAMIRAI Shinkumi Bank
- SHIZUOKA YAIZU SHINKIN BANK
- Suwa Shinkin Bank
- TOKUSHIMA SHINKIN BANK
- Nagano Shinkin Bank
- Mutual Aid Foundation for Japan Postal Group

5. Status of Borrowings after the Green Bond Issuance

(Yen in millions)

	Before Issuance (as of November 19, 2020)	After Issuance (as of November 27, 2020)	Change
Short-Term Loans Payable	-	-	-
Long-Term Loans Payable	160,020	154,020	(6,000)
Investment Corporation Bonds	26,500	32,500	6,000



Interest-Bearing Debt	186,520	186,520	-
Ratio of Interest-Bearing Debt to Total Assets (Note 2)	39.5%	39.5%	-

(Note 1) Long-term loans payable and investment corporation bonds each include the current portions.

(Note 2) Ratio of Interest-Bearing Debt to Total Assets mentioned above is calculated using the following formula and then rounded to the first decimal place.

Ratio of Interest-Bearing Debt to Total Assets (%) = Interest-Bearing Debt ÷ Total Assets x 100

Total Assets is calculated by adding or subtracting the increase or decrease in Interest-Bearing Debt after the end of the fiscal period ended June 30, 2020 to the total assets as of the end of the fiscal period ended June 30, 2020.

(Note 3) After Issuance in the table above reflects the repayment of the long-term borrowing of ¥6,000 million due for repayment on November 27, 2020.

6. Other Matters Required for Investors to Appropriately Understand and Evaluate the Above Information

There will be no changes made to the content of the investment risk indicated in the Securities Report filed on September 28, 2020 with respect to the risks involved in repayment, etc. of the current borrowings.