

August 23, 2018

For Immediate Release

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 Japan Real Estate Investment Corporation
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Announcement of Debt Financing

Japan Real Estate Investment Corporation hereby announces its decision on August 23, 2018 to procure funds as follows:

1. Reason for the borrowing

Redemption of the 9th Investment Corporation Bonds to be matured on August 30, 2018.

2. Details of the borrowing

- (1) Start of loan period: August 29, 2018
 (2) Amount of loan: ¥10,000 million
 (3) Lender, amount of loan, and principal repayment date:

Lender	Amount of loan	Principal repayment date
Mizuho Bank, Ltd.	¥7,000 million	August 29, 2019
Sumitomo Mitsui Trust Bank, Limited	¥3,000 million	

- (4) Interest rate: Base rate (1-month JPY TIBOR by “JBA” (Japanese Banker’s Association))+ 0.04% (Note1)
 (5) Borrowing method: Loan based on overdraft agreement with each lender
 Unsecured/unguaranteed loan
 (6) Interest payment date: 29th of every month until the principal repayment date (Note 2)
 (7) Repayment of principal: Payment in full on the principal repayment date

(Note1) · Base rate to calculate the interest to pay on an interest payment day is 1-month JPY TIBOR released by JBA two business days before the latest interest payment date. (1-month JPY TIBOR by JBA on August 23, 2018 is 0.05545%)

· Please refer to JBA TIBOR administration’s website (<http://www.jbatibor.or.jp/english/rate/>) for more information regarding JPY TIBOR of JBA.

(Note2) In the event that the interest payment date does not fall on a business day, the interest shall be paid on the

following business day. If the following business day, however, falls in the following month, the payment shall be made on the preceding business day of the interest payment date.

3. Balance of interest-bearing debt after the debt financing

(Units: millions of yen)

	Before	After (Note3)	Increase/Decrease
Short-term loans	12,500	22,500	+10,000
Long-term loans (Variable interest)	22,000	22,000	±0
Long-term loans (Fixed interest)	318,000	318,000	±0
Total loans	352,500	362,500	+10,000
Investment corporation bonds	32,993	22,993	-10,000
Total investment corporation bonds	32,993	22,993	-10,000
Total interest-bearing debts	385,493	385,493	±0

(Note3) This is the balance after the execution of redemption of 9th Investment Corporation Bonds to be matured on August 30, 2018.

4. Others

Regarding loan repayment related risks, there is no important change to the “Investment risks” description in the latest securities report submitted on June 26, 2018.

This is the English translation of the announcement in Japanese dated August 23, 2018.

No assurance or warranties are given for the completeness or accuracy of this English translation.