

January 4, 2018

For Immediate Release

<Investment Corporation>
Japan Real Estate Investment Corporation
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Announcement of Debt Financing

Japan Real Estate Investment Corporation hereby announces its decision on January 4, 2018 to procure funds as follows:

1. Reason for the borrowing

Repayment of the existing long-term loans of ¥2 billion executed on January 7, 2013.

2. Details of the borrowing

< Long-term loan 1 >

- | | |
|-------------------------------|---|
| (1) Amount of loan: | ¥1,000 million |
| (2) Lender: | The Ashikaga Bank, Ltd. |
| (3) Interest rate: | 0.285% (fixed interest) |
| (4) Start of loan period: | January 9, 2018 |
| (5) Borrowing method: | Loan agreement on January 4, 2018 Unsecured/unguaranteed loan |
| (6) Interest payment date: | 9th of every January and July until the principal repayment date (Note 1) |
| (7) Repayment of principal: | Payment in full on the principal repayment date |
| (8) Principal repayment date: | January 9, 2025 (pre-payment possible) |

< Long-term loan 2 >

- (1) Amount of loan: ¥1,000 million
(2) Lender: The Joyo Bank, Ltd.
(3) Interest rate: 0.4188% (fixed interest)
(4) Start of loan period: January 9, 2018
(5) Borrowing method: Loan agreement on January 4, 2018
Unsecured/unguaranteed loan
(6) Interest payment date: 9th of every January and July until the principal repayment date (Note 1)
(7) Repayment of principal: Payment in full on the principal repayment date
(8) Principal repayment date: January 11, 2028 (pre-payment possible)

(Note 1) 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 | Increase/Decrease |
|---|----------------|----------------|-------------------|
| Short-term loans | 31,000 | 31,000 | ±0 |
| Long-term loans (Variable interest) | 17,000 | 17,000 | ±0 |
| Long-term loans (Fixed interest) | 294,000 | 294,000 | ±0 |
| Total loans | 342,000 | 342,000 | ±0 |
| Investment corporation bonds | 32,993 | 32,993 | ±0 |
| Total investment corporation bonds | 32,993 | 32,993 | ±0 |
| Total interest-bearing debts | 374,993 | 374,993 | ±0 |

4. Others

Regarding loan repayment related risks, there is no important change to the “Investment risks” description in the latest securities report submitted on December 26, 2017.

This is the English translation of the announcement in Japanese dated January 4, 2018.

However, no assurance or warranties are given for the completeness or accuracy of this English translation.