

October 22, 2020

For Immediate Release

Investment Corporation

Japan Real Estate Investment Corporation

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(TSE code: 8952)

Asset Management Company

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Announcement of Loan Prepayment

Japan Real Estate Investment Corporation hereby announces its decision today to repay existing short-term loans before the due date as follows:

1. Loan prepayment

(I) Prepayment amount: JPY 8,000 million in total

(II) Overview of loans to be repaid before the due date:

Prepayment date	October 26, 2020	October 27, 2020	October 30, 2020
Amount of loan	JPY 1,300 million	JPY 5,000 million	JPY 1,700 million
Lender	Sumitomo Mitsui Trust Bank, Limited	Sumitomo Mitsui Banking Corporation	Sumitomo Mitsui Trust Bank, Limited
Interest rate	0.120% (from September 28, 2020 through October 25, 2020)	0.120% (from September 28, 2020 through October 26, 2020)	0.120% (from September 30, 2020 through October 29, 2020)
Borrowing date	December 26, 2019	March 27, 2020	March 30, 2020
Method of borrowing	Loan based on overdraft agreement Unsecured/unguaranteed loan		
Interest payment date	The 26th day of each month until the principle repayment date	The 27th day of each month until the principle repayment date	The 30th day of each month until the principle repayment date
Method of principal repayment	Lump-sum repayment on the principal repayment date		
Principal repayment date	December 28, 2020	March 29, 2021	March 30, 2021

*There will be no early repayment fee due to these loan prepayments.

2. Repayment funds

JRE intends to apply part of the bond proceeds paid on October 26, 2020 and cash on hand to these prepayments. For the details of the above-mentioned bonds, please refer to the press release “Announcement of Issuing Investment Corporation Bonds” dated October 15, 2020.

3. Balance of interest-bearing debt after the loan prepayments

(Units: millions of JPY)

	Before	After	Increase/Decrease
Short-term loans payable	26,000	18,000	-8,000
Long-term loans payable (Variable interest rate)	23,000	23,000	±0
Long-term loans payable (Fixed interest rate)	337,000	335,000	-2,000
Total loans	386,000	376,000	-10,000
Investment corporation bonds	32,993	42,993	+10,000
Total investment corporation bonds	32,993	42,993	+10,000
Total interest-bearing debt	418,993	418,993	±0

(Note) This balance takes into account the bond issuance and the contractual repayment of the long-term loan described in the press release “Announcement of Issuing Investment Corporation Bonds” dated October 15, 2020.

4. Others

Regarding risks pertaining to these loan prepayments, there is no material change to the “Investment risks” description in the latest securities report submitted on June 25, 2020.

This is the English translation of the announcement in Japanese dated October 22, 2020.

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