

March 26, 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 March 26, 2018 to procure funds as follows:

1. Reason for the borrowing

Repayment of the existing short-term loan of ¥1.7 billion executed on March 31, 2017.

2. Details of the borrowing

- (1) Start of loan period: March 30, 2018
 (2) Amount of loan: ¥1,700 million
 (3) Lender, amount of loan and principal repayment date

Lender	Amount of loan	Principal repayment date (pre-payment possible)
Sumitomo Mitsui Trust Bank, Limited	¥1,700 million	March 29, 2019

- (4) Interest rate: Base rate (1-month JPY TIBOR by “JBA” (Japanese Bankers Association)) + 0.04% (Note 1)
 (5) Borrowing method: Loan based on overdraft agreement with the lender
 Unsecured/unguaranteed loan
 (6) Interest payment date: 30th of every month until the principal repayment date (Note 2)
 (7) Repayment of principal: Payment in full on the principal repayment date
 (pre-payment possible)

(Note 1) • Base rate to calculate the interest to pay on the interest payment date is 1-month JPY TIBOR released by JBA two business days before the latest interest payment date (1-month JPY TIBOR by JBA on March 26, 2018 is 0.05545%).

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

(Note 2) · 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	16,000	16,000	±0
Long-term loans (Variable interest)	22,000	22,000	±0
Long-term loans (Fixed interest)	310,000	310,000	±0
Total loans	348,000	348,000	±0
Investment corporation bonds	32,993	32,993	±0
Total investment corporation bonds	32,993	32,993	±0
Total interest-bearing debts	380,993	380,993	±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 March 26, 2018.

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