

October 29, 2021

For Immediate Release

Investment Corporation

Japan Real Estate Investment Corporation

Yutaka Yanagisawa, Executive Director

(TSE code: 8952)

Asset Management Company

Japan Real Estate Asset Management Co., Ltd.

Naoki Umeda, President & CEO

Contact: Masaru Motooka

Executive Officer & General Manager

Planning Department

Phone: +81-3-3211-7951

Announcement of Revision of Reference Rates (Formula Change) Due to the Scheduled Permanent Cessation of LIBOR

Japan Real Estate Investment Corporation hereby announces that for the floating-rate loans based on JPY LIBOR, the reference rates will be revised as below. This is because the publication of JPY LIBOR will be ceased by the end of 2021, as announced by ICE Benchmark Administration (“IBA”).

1. Description of the revision

	Loan 1* ¹	Loan 2* ¹
Lender	MUFG Bank, Ltd.	MUFG Bank, Ltd.
Borrowing date	June 1, 2017	March 26, 2018
Loan amount	JPY 12,000 million	JPY 5,000 million
Interest rate before revision	1-month JPY LIBOR published by IBA + 0.09%	3-month JPY LIBOR published by IBA + 0.09%
Interest rate after revision	Risk free rate (TONA) compounded in arrears over rate observation period (1 month) according to the lookback method + spread adjustment (-0.02923%)* ² + 0.09%	Risk free rate (TONA) compounded in arrears over rate observation period (3 month) according to the lookback method + spread adjustment (0.00835%)* ² + 0.09%
Effective date of revised interest rate* ³	January 5, 2022	March 29, 2022
Principal repayment date	June 1, 2023	March 26, 2024

(*1) For more details of the above loans, please refer to the following links:

<https://www.j-re.co.jp/file/en-news-21755fa49d9659a329a864b259061c91f38c1f1c.pdf>

<https://www.j-re.co.jp/file/en-news-dbc2c92029457a90e282ee4a1943ee460cf00f1b.pdf>

(*2) The spread adjustment is published for each tenor of LIBOR by Bloomberg Index Services Limited based on “IBOR Fallback Rate Adjustments Rule Book” on March 5, 2021 to adjust for the difference of the original reference rate and the revised reference rate.

(*3) Effective date of revised interest rate refers to the first day of the rate observation period that comes immediately after the time of permanent cessation of the publication of LIBOR or loss of its representativeness.

2. Others

For the floating-rate loans whose floating rates are swapped into fixed rates, there will be no economic impacts due to the revision of the reference rates, if any.

In addition, regarding risks pertaining to this loan repayment, there is no material change to the descriptions of “Investment risks” in the latest securities report submitted on June 25, 2021.

This is the English translation of the announcement in Japanese dated October 29, 2021.

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