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For Immediate Release

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Japan Real Estate Investment Corporation  
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## Announcement of Early Repayment of Borrowing and Debt Financing

Announcement is hereby made that on June 29, 2017, Japan Real Estate Investment Corporation (“JRE”) decided to make an early repayment of the existing borrowing prior to the principal repayment date and to procure funds as follows:

### 1. Early repayment of borrowing

- a. Date of early repayment: July 3, 2017
- b. Details of the borrowing to be repaid before the due date:
  - (1) Amount of loan: ¥2,000 million
  - (2) Lender: Resona Bank, Limited
  - (3) Interest rate: 0.07% (From June 1, 2017 to July 2, 2017)
  - (4) Start of loan period: March 1, 2017
  - (5) Borrowing method: Loan based on overdraft agreement with the lender  
Unsecured/unguaranteed loan
  - (6) Interest payment date: 1st of every month until principal repayment date
  - (7) Repayment of principal: Payment in full on principal repayment date
  - (8) Principal repayment date: March 1, 2018

There will be no outstanding balance upon this early repayment.

### 2. Debt financing

- a. Reason for the borrowing  
Allocation of the funds for early repayment of the above mentioned short-term loan of ¥2,000 million.
- b. Details of the borrowing
  - (1) Amount of loan: ¥2,000 million
  - (2) Lender: Tokio Marine & Nichido Fire Insurance Co., Ltd.
  - (3) Interest rate: 0.1%

- (4) Start of loan period: July 3, 2017
- (5) Borrowing method: Loan agreement on June 29, 2017  
Unsecured/unguaranteed loan
- (6) Interest payment date: 3rd of every January and July until the principal repayment date (Note)
- (7) Repayment of principal: Payment in full on principal repayment date
- (8) Principal repayment date: July 3, 2020  
(early repayment possible)

(Note) 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 debts after the early repayment of borrowing and the debt financing

(Units: millions of yen)

	Before debt financing/ early repayment	After debt financing/ early repayment	Increase/ Decrease
Short-term loans	38,500	36,500	-2,000
Current portion of long-term loans	36,000	36,000	±0
Long-term loans	264,500	266,500	+2,000
<b>Total loans</b>	<b>339,000</b>	<b>339,000</b>	<b>±0</b>
Current portion of investment corporation bonds	0	0	±0
Investment corporation bonds (except for current portion)	30,000	30,000	±0
<b>Total investment corporation bonds</b>	<b>30,000</b>	<b>30,000</b>	<b>±0</b>
<b>Total interest-bearing debts</b>	<b>369,000</b>	<b>369,000</b>	<b>±0</b>

### 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, 2017.

This is the English translation of the announcement in Japanese dated June 29, 2017.

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