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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 January 15, 2018 to procure funds as follows:

### 1. Reason for the borrowing

Repayment of the existing long-term loan of ¥3 billion executed on January 17, 2011.

### 2. Details of the borrowing

- |                               |                                                                            |
|-------------------------------|----------------------------------------------------------------------------|
| (1) Amount of loan:           | ¥3,000 million                                                             |
| (2) Lender:                   | Sumitomo Mitsui Trust Bank, Limited                                        |
| (3) Interest rate:            | 0.21% (fixed interest)                                                     |
| (4) Start of loan period:     | January 17, 2018                                                           |
| (5) Borrowing method:         | Loan agreement on January 15, 2018<br>Unsecured/unguaranteed loan          |
| (6) Interest payment date:    | 17th 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 17, 2023 (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	30,000	30,000	±0
Long-term loans (Variable interest)	17,000	17,000	±0
Long-term loans (Fixed interest)	295,000	295,000	±0
<b>Total loans</b>	<b>342,000</b>	<b>342,000</b>	<b>±0</b>
Investment corporation bonds	32,993	32,993	±0
<b>Total investment corporation bonds</b>	<b>32,993</b>	<b>32,993</b>	<b>±0</b>
<b>Total interest-bearing debts</b>	<b>374,993</b>	<b>374,993</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 December 26, 2017.

This is the English translation of the announcement in Japanese dated January 15, 2018.

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