

August 28, 2017

For Immediate Release

<Investment Corporation>
 Japan Real Estate Investment Corporation
 Hiroshi Nakajima, Executive Director
 (TSE code: 8952)

<Asset Management Company>
 Japan Real Estate Asset Management Co., Ltd.
 Naoki Umeda, President & CEO
 Contact: Ryuta Yoshida
 Director, Senior Executive Officer &
 General Manager, Planning Department
 Phone: +81-3-3211-7951

Announcement of Debt Financing

Japan Real Estate Investment Corporation hereby announces its decision on August 28, 2017 to procure funds as follows:

1. Reason for the borrowing

A part of the funds for the repayment of the existing short-term loan of ¥4 billion executed on September 1, 2016 (Note 1).

2. Details of the borrowing

- (1) Start of loan period: September 1, 2017
 (2) Amount of loan: ¥2,000 million
 (3) Lender, amount of loan and principal repayment date

Lender	Amount of loan	Principal repayment date (pre-payment possible)
Shinkin Central Bank	¥1,000 million	September 3, 2018
Resona Bank, Limited	¥1,000 million	

- (4) Interest rate: Base rate (1-month JPY TIBOR by “JBA” (Japanese Bankers Association)) + 0.04% (Note 2)
 (5) Borrowing method: Loan based on overdraft agreement with each lender
 Unsecured/unguaranteed loan
 (6) Interest payment date: 1st of every month until the principal repayment date (Note 3)
 (7) Repayment of principal: Payment in full on the principal repayment date
 (pre-payment possible)

(Note 1) • ¥2 billion out of the total amount for scheduled repayment of the existing short-term loans of ¥4 billion will be paid by own funds.

- (Note 2) · 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 August 28, 2017 is 0.03%).
- 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 3) · 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	36,500	34,500	-2,000
Current portion of long-term loans	39,000	39,000	±0
Long-term loans (except for current portion)	263,500	263,500	±0
Total loans	339,000	337,000	-2,000
Current portion of investment corporation bonds	0	0	±0
Investment corporation bonds (except for current portion)	30,000	30,000	±0
Total investment corporation bonds	30,000	30,000	±0
Total interest-bearing debts	369,000	367,000	-2,000

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 August 28, 2017.

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