

August 30, 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 30, 2017 to procure funds as follows:

### 1. Reason for the borrowing

A part of the funds for the payment of acquiring quasi-co-ownership of the trust beneficiary right in trust of domestic property (Shiodome Building) announced in the release “Announcement of Acquisition of Trust Beneficiary Right in Trust of Domestic Property” dated August 1, 2017.

### 2. Details of the borrowing

#### < Long-term loan 1 >

- |                              |  |
|------------------------------|--|
| (1) Amount of loan:          | ¥5,000 million   |
| (2) Lender:                  | The Norinchukin Bank   |
| (3) Interest rate:           | 0.24% (fixed interest)   |
| (4) Start of loan period:    | September 1, 2017  |
| (5) Borrowing method:        | Loan agreement on August 30, 2017<br>Unsecured/unguaranteed loan             |
| (6) Interest payment date:   | 1st of every March and September until the principal repayment date (Note 1) |
| (7) Repayment of principal:  | Payment in full on the principal repayment date                              |
| (8) Principal repayment date | September 2, 2024 (pre-payment possible)                                     |

### < Long-term loan 2 >

- |                               |  |
|-------------------------------|--|
| (1) Amount of loan:           | ¥5,000 million   |
| (2) Lender:                   | Shinkin Central Bank   |
| (3) Interest rate:            | 0.3188% (fixed interest)   |
| (4) Start of loan period:     | September 1, 2017  |
| (5) Borrowing method:         | Loan agreement on August 30, 2017<br>Unsecured/unguaranteed loan             |
| (6) Interest payment date:    | 1st of every March and September until the principal repayment date (Note 1) |
| (7) Repayment of principal:   | Payment in full on the principal repayment date                              |
| (8) Principal repayment date: | September 1, 2026 (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 (Note 2)	After	Increase/Decrease
Short-term loans	34,500	34,500	±0
Current portion of long-term loans	36,000	36,000	±0
Long-term loans (except for current portion)	265,000	275,000	+10,000
<b>Total loans</b>	<b>335,500</b>	<b>345,500</b>	<b>+10,000</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>365,500</b>	<b>375,500</b>	<b>+10,000</b>

(Note 2) This is the balance as of September 1, 2017 announced in the release “Announcement of Debt Financing” dated August 29, 2017.

### 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 30, 2017.

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