

June 9, 2017

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 (“JRE”) hereby announces its decision on June 9, 2017 to procure funds as follows:

1. Reason for the borrowing

Repayment of the existing long-term loan of ¥2.5 billion executed on June 15, 2012.

2. Details of the borrowing

- (1) Start of loan period: June 15, 2017
 (2) Amount of loan: ¥2,500 million
 (3) Lender, amount of loan and principal repayment date

Lender	Amount of loan	Principal repayment date (pre-payment possible)
Shinsei Bank, Limited	¥2,500 million	June 15, 2018

- (4) Interest rate: Base rate (1-month JPY TIBOR by “JBA” (Japanese Bankers Association)) + 0.04% (Note 1)
 (5) Borrowing method: Loan based on overdraft agreement with the lender
 Unsecured/unguaranteed loan
 (6) Interest payment date: 15th of every month until the principal repayment date (Note 2)
 (7) Repayment of principal: Payment in full on the principal repayment date
 (pre-payment possible)

(Note 1) ・ 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 June 9, 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 2) ・ 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	36,000	38,500	+2,500
Current portion of long-term loans	44,500	42,000	-2,500
Long-term loans (except for current portion)	258,500	258,500	±0
Total loans	339,000	339,000	±0
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	369,000	±0

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, 2016.

This is the English translation of the announcement in Japanese dated June 9, 2017.

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