

January 17, 2018

For Immediate Release

<Investment Corporation>
Japan Real Estate Investment Corporation
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<Asset Management Company>
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Announcement of Debt Financing

Japan Real Estate Investment Corporation hereby announces its decision on January 17, 2018 to procure funds as follows:

1. Reason for the borrowing

A part of the funds (¥8 billion) for acquiring the domestic real estate (Front Place Nihonbashi) announced on January 11, 2018.

2. Details of the borrowing

< Long-term loan 1 >

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|-------------------------------|--|
| (1) Amount of loan: | ¥5,000 million |
| (2) Lender: | Sumitomo Mitsui Banking Corporation |
| (3) Interest rate: | 0.16255% (fixed interest) |
| (4) Start of loan period: | January 19, 2018 |
| (5) Borrowing method: | Loan agreement on January 17, 2018
Unsecured/unguaranteed loan |
| (6) Interest payment date: | 19th 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: | July 20, 2021 (pre-payment possible) |

< Long-term loan 2 >

- (1) Amount of loan: ¥3,000 million
(2) Lender: Sumitomo Mitsui Banking Corporation
(3) Interest rate: 0.4338% (fixed interest)
(4) Start of loan period: January 19, 2018
(5) Borrowing method: Loan agreement on January 17, 2018
Unsecured/unguaranteed loan
(6) Interest payment date: 19th 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 19, 2028 (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	303,000	+8,000
Total loans	342,000	350,000	+8,000
Investment corporation bonds	32,993	32,993	±0
Total investment corporation bonds	32,993	32,993	±0
Total interest-bearing debts	374,993	382,993	+8,000

4. Others

Regarding loan repayment related risks, there is no important change to the “Investment risks” description in the latest securities report submitted on December 26, 2017.

This is the English translation of the announcement in Japanese dated January 17, 2018.

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