

March 18, 2015

To whom it may concern:

<Investment Corporation>

Japan Real Estate Investment Corporation

Noritada Terasawa, Executive Director

(TSE code: 8952)

<Asset Management Company>

Japan Real Estate Asset Management Co., Ltd.

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Notice concerning New Loans

Announcement is hereby made that on March 18, 2015, Japan Real Estate Investment Corporation will procure funds through the following loans:

1. Reason for drawing down of the loans

To apply the funds toward a part of the funds for the purchase of domestic real estate (Harmony Tower) and the purchase of the trust beneficiary right in trust of domestic real estate (Amagasaki Front Building) announced on March 18, 2015.

(2) Details of the loans

<Short-term loan ① >

(1) Start of loan period: March 25, 2015

(2) Amount of loan: ¥5,500 million

(3) Lender, amount of loan, and principal repayment date:

Lender	Amount of loan	Principal repayment date (pre-payment possible)
Mizuho Bank, Ltd.	¥5,500 million	March 25, 2016

(4) Interest rate: Base rate (1-month JPY TIBOR by “JBA” (Japanese Banker’s Association))+ 0.05% (Note1)

(5) Borrowing method: Loan based on overdraft agreement concluded with lender
Unsecured/non-guaranteed loan

(6) Interest payment date: 25 th 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)

Disclaimer: This document is intended to serve as a press statement to make available the information on New Loans of Japan Real Estate Investment Corporation (the “Company”), and does not constitute and should not be construed as an offer to sell or solicitation of an offer to purchase any unit or other investment of the Company. Prospective investors are advised to read the Company’s prospectus for new unit issuance and secondary offering (and its amendments, if any) and make any investment decisions at their own risk and responsibility.

<Short-term loan ② >

- (1) Start of loan period: March 27, 2015
 (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)
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥2,000 million	March 28, 2016

- (4) Interest rate: Base rate (1-month JPY TIBOR by “JBA” (Japanese Banker’s Association))+ 0.05% (Note 1)
 (5) Borrowing method: Loan based on overdraft agreement concluded with lender
 Unsecured/non-guaranteed loan
 (6) Interest payment date: 27 th 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)

(Note1) ・ Base rate to calculate the interest to pay on an interest payment day is 1-month JPY TIBOR released by JBA two business days before the interest payment date. (1-month JPY TIBOR by JBA on March 18, 2015 is 0.13 %)
 ・ Please refer to JBA TIBOR administration’s website (<http://www.jbatibor.or.jp/english/rate/>) for more information regarding Japanese Yen TIBOR of JBA.

(Note2) 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.

<Long-term loan >

- (1) Amount of loan: ¥3,500 million
 (2) Lender: The Norinchukin Bank
 (3) Interest rate: Base rate (6-month EUR/JPY LIBOR by “IBA” (ICE Benchmark Administration))+ 0.08 % (Note 3,4)
 (4) Start of loan period: March 25, 2015
 (5) Borrowing method: Loan agreement concluded with lender on March 18, 2015
 Unsecured/non-guaranteed loan
 (6) Interest payment date: 25th of March and September of every year until the principal repayment date (Note 5)
 (7) Repayment of principal: Payment in full on the principal repayment date
 (8) Principal repayment date: March 27, 2023 (pre-payment possible)

(Note3) Base rate to calculate the interest to pay on an interest payment day is 6-month EUR/JPY LIBOR released two bank business days in London before the interest payment date at 11:00 am (GMT) by “IBA”. (6-month EUR/JPY LIBOR by “IBA” released on March 17, 2015 is 0.13929 %)

(Note4) Interest rate of the loan will be fixed by execution of an interest rate swap agreement prior to the start of the loan period.

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(Note5) 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 new loan agreements

(Units: millions of yen)

	Before new loan (Note6)	After new loan	Increase/Decrease
Short-term loans	25,000	32,500	+7,500
Current portion of long-term loans	16,600	16,600	±0
Long-term loans (except for current portion)	268,400	271,900	+3,500
Total loans	310,000	321,000	+11,000
Current portion of investment corporation bonds	20,000	20,000	±0
Investment corporation bonds (except for current portion)	20,000	20,000	±0
Total investment corporation bonds	40,000	40,000	±0
Total interest-bearing debts	350,000	361,000	+11,000

(Note6) It is the balance after the refinancing announced in “Notice concerning New Loan” dated March 13, 2015

4. Others

Regarding the loan repayment related risks, there is no important change to the “Investment risks” description in the latest securities report submitted on December 25, 2014.

This notice is the English translation of the announcement in Japanese dated March 18, 2015.

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

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