

March 19, 2015

To whom it may concern:

<Investment Corporation>

Japan Real Estate Investment Corporation

Noritada Terasawa, Executive Director

(TSE code: 8952)

<Asset Management Company>

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Notice concerning Execution of Interest Rate Swap Agreement

Japan Real Estate Investment Corporation hereby announces its decision on March 19, 2015 to enter into interest rate swap agreement regarding a part of the loans announced in the Release “Notice concerning New loans” dated on March 18, 2015 as follows:

1. Interest Rate Swap Agreement

(1) Reason for execution of interest rate swap agreement

To hedge against risks of interest rate fluctuations on the long-term loan, 3,500 million yen, to be executed on March 25, 2015.

(2) Details of the interest rate swap agreement

<Interest rate swap agreement for Long-term loan >

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|----------------------------|--|
| (1) Counterparty: | The Bank of Tokyo-Mitsubishi UFJ, Ltd. |
| (2) Notional Amount : | ¥3,500 million |
| (3) Interest rate, etc: | Fixed interest payment: 0.46825%
Variable interest receipt: 6-month EUR/JPY LIBOR by “IBA”
(ICE Benchmark Administration)+ 0.08% |
| (4) Contract start date: | March 25, 2015 |
| (5) Contract end date: | March 27, 2023 |
| (6) Interest payment date: | 25th of March and September of every year until the contract end date (Note) |

Interest rate of the long-term loan (3,500 million yen with 8-year maturity) will be fixed at 0.46825 % by executing the above interest rate swap agreement. Therefore, the ensuring fixing of the 6-month EUR/JPY LIBOR by “IBA” will not be announced going forward.

(Note) 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.

2. 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 19, 2015.
However, no assurance or warranties are given for the completeness or accuracy of this English translation.