

March 31, 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.

Hiroshi Katayama, CEO & President

Contact: Ryuta Yoshida,

Executive officer, General Manager, Planning Department

Phone: +81-3-3211-7921

## Notice concerning Pre-payment of Loans

Announcement is hereby made that on March 31, 2015, Japan Real Estate Investment Corporation decided to make the pre-payment of the following existing loans prior to the principal repayment date:

### 1. Pre-payment of loans

- (a) Pre-payment date: April 7, 2015
- (b) Total amount of pre-payment: ¥4,000 million
- (c) Details of loans to be pre-paid before the due date:

<Short-term loan from The Bank of Tokyo-Mitsubishi UFJ, Ltd. >

- (1) Start of loan period March 27, 2015
- (2) Amount of loan: ¥2,000 million
- (3) Amount of pre-payment ¥2,000 million
- (4) Balance ¥0
- (5) Interest rate 0.180% (From March 27, 2015 to April 26, 2015)
- (6) Borrowing method: Loan based on overdraft agreement concluded with lender  
Unsecured/non-guaranteed loan
- (7) Interest payment date: 27th of every month until the principal repayment date
- (8) Repayment of principal: Payment in full on the principal repayment date
- (9) Principal repayment date March 28, 2016

\* There will be no outstanding balance upon this pre-payment.

<Short-term loan from Mizuho Bank, Ltd. >

- |     |                          |                                                                                          |
|-----|--------------------------|------------------------------------------------------------------------------------------|
| (1) | Start of loan period     | January 7, 2015                                                                          |
| (2) | Amount of loan:          | ¥2,000 million                                                                           |
| (3) | Amount of pre-payment    | ¥2,000 million                                                                           |
| (4) | Balance                  | ¥0                                                                                       |
| (5) | Interest rate            | 0.180% (From March 9, 2015 to April 6, 2015)                                             |
| (6) | Borrowing method:        | Loan based on overdraft agreement concluded with lender<br>Unsecured/non-guaranteed loan |
| (7) | Interest payment date:   | 7th of every month until the principal repayment date                                    |
| (8) | Repayment of principal:  | Payment in full on the principal repayment date                                          |
| (9) | Principal repayment date | January 7, 2016                                                                          |

\* There will be no outstanding balance upon this pre-payment.

## 2. Funds for pre-payment

Part of the proceeds from the issuance of new units to be received on April 6, 2015 (scheduled)

## 3. Balance of interest-bearing debts after the pre-payment of the loans

(Units: millions of yen)

|                                                           | Before pre-payment | After pre-payment | Increase/Decrease |
|-----------------------------------------------------------|--------------------|-------------------|-------------------|
| Short-term loans                                          | 48,000             | 44,000            | -4,000            |
| Current portion of long-term loans                        | 16,600             | 16,600            | ±0                |
| Long-term loans (except for current portion)              | 271,900            | 271,900           | ±0                |
| <b>Total loans</b>                                        | <b>336,500</b>     | <b>332,500</b>    | <b>-4,000</b>     |
| Current portion of investment corporation bonds           | 20,000             | 20,000            | ±0                |
| Investment corporation bonds (except for current portion) | 20,000             | 20,000            | ±0                |
| <b>Total investment corporation bonds</b>                 | <b>40,000</b>      | <b>40,000</b>     | <b>±0</b>         |
| <b>Total interest-bearing debts</b>                       | <b>376,500</b>     | <b>372,500</b>    | <b>-4,000</b>     |

## 4. Others

Regarding the loan repayment risk, 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 31, 2015.

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