

August 25, 2015

To whom it may concern:

<Investment Corporation>

Japan Real Estate Investment Corporation

Hiroshi Nakajima, Executive Director

(TSE code: 8952)

<Asset Management Company>

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Notice concerning Pre-payment of Loans

Announcement is hereby made that on August 25, 2015, Japan Real Estate Investment Corporation decided to make pre-payment of the following existing loans prior to the principal repayment date:

1. Pre-payment of loans

- (a) Pre-payment date: September 1, 2015
- (b) Total amount of pre-payment: ¥ 4,500 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) Amount of loan : (Note 1) ¥ 2,500 million
- (2) Lender, amount of loan, amount of pre-payment, balance after pre-payment of loan, start of loan period and principal repayment date:

Lender	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Amount of loan	(Note 1) ¥ 2,500 million
Amount of pre-payment	¥ 2,500 million
Balance	¥ 0 million
Start of loan period	October 1, 2014
Principal repayment date	October 1, 2015

- (3) Interest rate: 0.18% (From August 3, 2015 to August 31, 2015)
 - (4) Borrowing method: Loan based on overdraft agreement concluded with lender
Unsecured/unguaranteed loan
 - (5) Interest payment date: 1st of every month until the principal repayment date
 - (6) Repayment of principal: Payment in full on the principal repayment date
- (Note 1) The above amount of loan ((1),(2)) is the balance after the pre-payment announced in the release “Notice concerning Pre-payment of loans” dated May 7, 2015.

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

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

- (1) Amount of loan : ¥5,500 million
 (2) Lender, amount of loan, amount of pre-payment, balance after pre-payment of loan, start of loan period and principal repayment date:

Lender	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
Amount of loan	¥ 5,500 million
Amount of pre-payment	¥ 2,000 million
Balance	¥ 3,500 million
Start of loan period	April 1, 2015
Principal repayment date	April 1, 2016

- (3) Interest rate: 0.18% (From August 3, 2015 to August 31, 2015)
 (4) Borrowing method: Loan based on overdraft agreement concluded with lender
 Unsecured/unguaranteed loan
 (5) Interest payment date: 1st of every month until the principal repayment date
 (6) Repayment of principal: Payment in full on the principal repayment date

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

2. Funds for the pre-payment

Funds for the pre-payment have not been decided. It will be informed as soon as it is decided.

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

(Units: millions of yen)

	Before pre-payment	After pre-payment (Note 2)	Increase/Decrease
Short-term loans	39,000	34,500	—4,500
Current portion of long-term loans	34,100	34,100	±0
Long-term loans (except for current portion)	260,900	260,900	±0
Total loans	334,000	329,500	—4,500
Current portion of investment corporation bonds	0	0	±0
Investment corporation bonds (except for current portion)	20,000	20,000	±0
Total investment corporation bonds	20,000	20,000	±0
Total interest-bearing debts	354,000	349,500	—4,500

(Note 2) A new loan to be applied toward funds for the pre-payment is not taken into account.

4. Others

Regarding loan repayment related risks, there is no important change to the “Investment risks” description in the latest securities report submitted on June 25, 2015.

This notice is the English translation of the announcement in Japanese dated August 25, 2015.

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