KENEDIX
Office Investment Corporation

Translation of Japanese Original

October 28, 2015

To All Concerned Parties

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(Securities Code: 8972)

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Notice Concerning Debt Financing (Series 123) and the Execution of Interest Rate Swap Agreements

Kenedix Office Investment Corporation ("the Investment Corporation") today announced its decision to undertake debt financing (total of ¥9,500 million) and the execution of interest rate swap agreements.
Please see below for additional details.

1. Purpose of Debt Financing

Series 123 is to apply the fund towards the repayments of the borrowings (total of ¥9,500 million) (Note) with the repayment date of October 30, 2015.

Note: For outlines of the borrowings, please refer to the following.

Series 53-C	¥1,500 million	"Notice Concerning Debt Financing (Series 53)" dated February 24, 2011
Term Loan 65-D	¥4,500 million	"Notice Concerning Debt Financing (Term Loan 65) and Interest-Rate Swap Agreement" dated December 19, 2011
Term Loan 65-E	¥2,500 million	
Series 72	¥1,000 million	"Notice Concerning Debt Financing (Series 72)" dated April 25, 2012

2. Details of Debt Financing

Long-Term Borrowing (Series 123-A)

①	Lender	:	Mitsubishi UFJ Trust and Banking Corporation
②	Amount	:	¥1,000 million
③	Interest Rate	:	Base rate (JPY TIBOR for 1 month) + 0.55% (Note)
④	Drawdown Date	:	October 30, 2015
⑤	Debt Financing Method	:	The Investment Corporation executes an individual debt financing agreement with the aforementioned lender on October 28, 2015.
⑥	Interest Payment Date	:	The first interest payment is due at the end of November 2015, and on the last day of every month thereafter, with the last interest payment due on October 31, 2024. (If the last date of the month is a non-business day, then the interest payment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.)
⑦	Repayment Date	:	October 31, 2024 (If this day is a non-business day, then the repayment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.)
⑧	Repayment Method	:	Repayment of principal in full on maturity date
⑨	Collateral	:	Unsecured, unguaranteed

Long-Term Borrowing (Series 123-B (1) (2) (3))

①	Lender	:	(1) Mizuho Bank, Ltd. (2) The Bank of Tokyo-Mitsubishi UFJ, Ltd. (3) Sumitomo Mitsui Banking Corporation
②	Amount	:	(1) ¥1,500 million (2) ¥2,000 million (3) ¥2,500 million
③	Interest Rate	:	Base rate (JPY TIBOR for 1 month) + 0.60% (Note)
④	Drawdown Date	:	October 30, 2015
⑤	Debt Financing Method	:	The Investment Corporation executes individual debt financing agreements with the each aforementioned lender on October 28, 2015.
⑥	Interest Payment Date	:	The first interest payment is due at the end of November 2015, and on the last day of every month thereafter, with the last interest payment due on October 30, 2025. (If the last date of the month is a non-business day, then the interest payment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.)
⑦	Repayment Date	:	October 30, 2025 (If this day is a non-business day, then the repayment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.)
⑧	Repayment Method	:	Repayment of principal in full on maturity date
⑨	Collateral	:	Unsecured, unguaranteed

Note: The interest rate for the period commencing October 30, 2015 through the end of November 2015 will be 0.68000% for Series 123-A and 0.73000% for Series 123-B (1) through (3) (As of October 28, 2015, The Japanese Yen TIBOR for 1 month is 0.13000%). Thereafter, the interest rate shall be calculated based on Japanese Yen TIBOR for 1 month, which the JBA TIBOR Administration (the "JBATA") releases two business days before each interest payment date. The Japanese Yen TIBOR of the JBATA is available on the JBATA website (http://www.jbatibor.or.jp/english/).

Long-Term Borrowing (Series 123-B (4))

①	Lender	:	Development Bank of Japan Inc.
②	Amount	:	¥2,500 million
③	Interest Rate	:	1.12125% (fixed interest rate)
④	Drawdown Date	:	October 30, 2015
⑤	Debt Financing Method	:	The Investment Corporation executes an individual debt financing agreement with the aforementioned lender on October 28, 2015.
⑥	Interest Payment Date	:	The first interest payment is due at the end of November 2015, and on the last day of every 6 months thereafter, with the last interest payment due on October 30, 2025. (If the last date of the month is a non-business day, then the interest payment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.)
⑦	Repayment Date	:	October 30, 2025 (If this day is a non-business day, then the repayment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.)
⑧	Repayment Method	:	Repayment of principal in full on maturity date
⑨	Collateral	:	Unsecured, unguaranteed

3. Use of the Fund

Series 123-A and 123-B (1) through (4) (total of ¥9,500 million) are to apply the fund towards the repayments of Series 53-C, Term Loan 65-D, Term Loan 65-E and Series 72.

4. Interest Rate Swap Agreement

(1) Purpose

The Investment Corporation has decided to execute interest rate swap agreements as a hedge against possible increases in future interest rate for the abovementioned debt financing (Series 123-A and 123-B (1) through (3)).

(2) Details of the Interest Rate Swap Agreement

Interest Rate Swap Agreement (Series 123-A)

Counterparty	:	Nomura Securities Co., Ltd.
Notional Amount	:	¥1,000 million
Interest Rates	:	Fixed interest rate for payment: 0.43850% Floating interest rate for receipt: base rate (JPY TIBOR for 1 month)
Commencement Date	:	October 30, 2015
Termination Date	:	October 31, 2024
Payment Date	:	The first payment is due at the end of November 2015, and on the last day of every month thereafter, with the last interest payment due on October 31, 2024. (If the last date of the month is a non-business day, then the interest payment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.)

Note: By entering into the interest rate swap agreement, the interest rate for Series 123-A is essentially fixed at 0.98850%.

Interest Rate Swap Agreement (Series 123-B (1) (2) (3))

Counterparty	:	Nomura Securities Co., Ltd.
Notional Amount	:	(1) ¥1,500 million (2) ¥2,000 million (3) ¥2,500 million
Interest Rates	:	Fixed interest rate for payment: 0.51350% Floating interest rate for receipt: base rate (JPY TIBOR for 1 month)
Commencement Date	:	October 30, 2015
Termination Date	:	October 30, 2025
Payment Date	:	The first payment is due at the end of November 2015, and on the last day of every month thereafter, with the last interest payment due on October 30, 2025. (If the last date of the month is a non-business day, then the interest payment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.)

Note: By entering into the interest rate swap agreements, the interest rates for Series 123- B (1) through (3) are essentially fixed at 1.11350%.

5. Status of Debt Financing and Corporate Bonds after the Borrowings and the Repayments

(as of October 30, 2015)

(Millions of yen)

		Debt Financing Before the Borrowings	Debt Financing After the Borrowings	Difference
	Short-Term Borrowings (Note 1)	2,500	2,500	0
	Long-Term Borrowings (Note 2)	163,300	163,300	0
	Total Borrowings	165,800	165,800	0
	Corporate Bonds	8,300	8,300	0
Total Borrowings and Corporate Bonds		174,100	174,100	0

Notes:

1. Short-term borrowings refer to debt financing with a period less than or equal to one year from the drawdown date to the repayment date. However, the borrowings for which the period until the repayment date have surpassed one year because the repayment date one year from the drawdown date is not a business day, and for which the repayment date has been moved to a different business day, are included in short-term borrowings.
2. Long-term borrowings refer to debt financing with a period more than one year from the drawdown date to the repayment date.

6. Other

For risks concerning the repayment of the aforementioned borrowings, there are no significant changes to the "Investment Risks" as described in the Securities Report (submitted July 30, 2015, and including the subsequent revisions by the revised report of the Securities Report).

This notice is the English translation of the Japanese announcement on our web site released on October 28, 2015. However, no assurance or warranties are given for the completeness or accuracy of this English translation.