KENEDIX
Office Investment Corporation

Translation of Japanese Original

November 10, 2015

To All Concerned Parties

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Notice Concerning Debt Financing (Series 124) and the Execution of an Interest Rate Swap Agreement

Kenedix Office Investment Corporation ("the Investment Corporation") today announced its decision to undertake debt financing (total of ¥3,000 million) and the execution of an interest rate swap agreement.
Please see below for additional details.

1. Purpose of Debt Financing

Series 124 is to apply the fund towards the repayments of the borrowings (total of ¥3,000 million) (Note) with the repayment date of November 12, 2015.

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

Term Loan 51-C	¥2,000 million	"Notice Concerning Debt Financing (Term Loan 51) and Conclusion of Agreements for Posting Additional Collateral" dated November 10, 2010
Term Loan 51-D	¥1,000 million	

2. Details of Debt Financing

Long-Term Borrowing (Series 124-A)

①	Lender	:	Sumitomo Mitsui Banking Corporation
②	Amount	:	¥2,000 million
③	Interest Rate	:	Base rate (JPY TIBOR for 1 month) + 0.38% (Note)
④	Drawdown Date	:	November 12, 2015
⑤	Debt Financing Method	:	The Investment Corporation executes an individual debt financing agreement with the aforementioned lender on November 10, 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 November 30, 2016. (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	:	November 30, 2016 (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 124-B)

①	Lender	:	Resona Bank, Limited
②	Amount	:	¥1,000 million
③	Interest Rate	:	Base rate (JPY TIBOR for 1 month) + 0.65% (Note)
④	Drawdown Date	:	November 12, 2015
⑤	Debt Financing Method	:	The Investment Corporation executes an individual debt financing agreement with the aforementioned lender on November 10, 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 November 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	:	November 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 November 12, 2015 through the end of November 2015 will be 0.51000% for Series 124-A and 0.78000% for Series 124-B (As of November 10, 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/).

3. Use of the Fund

Series 124 (total of ¥3,000 million) is to apply the fund towards the repayments of Term Loan 51-C and Term Loan 51-D.

4. Interest Rate Swap Agreement

(1) Purpose

The Investment Corporation has decided to execute an interest rate swap agreement as a hedge against possible increases in future interest rate for the abovementioned debt financing (Series 124-B).

(2) Details of the Interest Rate Swap Agreement

Interest Rate Swap Agreement (Series 124-B)

Counterparty	:	SMBC Nikko Securities Inc.
Notional Amount	:	¥1,000 million
Interest Rates	:	Fixed interest rate for payment: 0. 52250% Floating interest rate for receipt: base rate (JPY TIBOR for 1 month)
Commencement Date	:	November 12, 2015
Termination Date	:	November 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 November 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 agreement, the interest rate for Series 124-B is essentially fixed at 1.17250%.

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

(as of November 12, 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 repayments 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 November 10, 2015. However, no assurance or warranties are given for the completeness or accuracy of this English translation.