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For Immediate Release

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Notice Concerning Debt Financing (Determination of borrowing amount and interest rate)

AEON REIT Investment Corporation (“we” or the “Investment Corporation”) hereby announces that it has resolved the borrowing amount and interest rate with regard to debt financing (the “Debt Financing”), which was announced on January 18, 2016 in the “Notice Concerning Debt Financing”. Details are as follows:

I . Debt Financing

1. Details of debt financing

14. Details of debt financing								
Term	Financial institutions (lenders)	Borrowing amount (in billions of yen)	Interest rate (Note7) (Note8)	Borrowing date	Method	Maturity	Repayment Method (Note 11)	Security and guarantee
Long-term	Syndicate of lenders arranged by Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation and Sumitomo Mitsui Trust Bank, Limited (Note1)	2.0	Base rate (JBA 3 months yen TIBOR) plus 0.22% (Note9)	February 29, 2016	Debt financing based on individual term loan agreements entered into on February 25, 2016 with the lenders shown left as lenders	October 20, 2017	Bullet repayment	Unsecured and unguaranteed
	Syndicate of lenders arranged by Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation and Sumitomo Mitsui Trust Bank, Limited (Note2)	4.1	Base rate (JBA 3 months yen TIBOR) plus 0.22% (Note10)			October 21, 2019		
	Syndicate of lenders arranged by Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation and Sumitomo Mitsui Trust Bank, Limited (Note3)	6.0	Base rate (JBA 3 months yen TIBOR) plus 0.37% (Note10)	March 29, 2016		October 20, 2021		
	Syndicate of lenders arranged by Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation and Sumitomo Mitsui Trust Bank, Limited (Note4)	5.8	Base rate (JBA 3 months yen TIBOR) plus 0.52% (Note10)			October 20, 2022		
	Syndicate of lenders arranged by Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation and Sumitomo Mitsui Trust Bank, Limited (Note5)	6.6	Base rate (JBA 3 months yen TIBOR) plus 0.82% (Note10)	May 31, 2016		October 20, 2025		
	Syndicate of lenders arranged by Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation and Sumitomo Mitsui Trust Bank, Limited (Note6)	1.0	Base rate (JBA 3 months yen TIBOR) plus 1.12% (Note10)	February 29, 2016		October 20, 2027		

(Notes)

Cautions: This announcement has been prepared for the public disclosure of debt financing of AEON REIT Investment Corporation and has not been prepared for the purpose of soliciting investment. Any investment decision should be based on an investor’s own responsibility and judgment after reading the prospectus for the new investment units and secondary offering of investment units, as well as any revisions thereto prepared by us.

1. The syndicate of lenders consists of Mizuho Bank, Ltd., and Sumitomo Mitsui Banking Corporation.
2. The syndicate of lenders consists of Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, Limited, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, The Norinchukin Bank, Mizuho Trust & Banking Co., Ltd., Resona Bank, Limited and The Hyakugo Bank, Ltd.
3. The syndicate of lenders consists of Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, Limited, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, The Norinchukin Bank, Mizuho Trust & Banking Co., Ltd., Resona Bank, Limited, The Mie Bank, Ltd., The Hyakugo Bank, Ltd., The 77 Bank, Ltd. and Hiroshima Bank, Ltd.
4. The syndicate of lenders consists of Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, Limited, The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, The Norinchukin Bank, Mizuho Trust & Banking Co., Ltd., Development Bank of Japan Inc. and AEON BANK, LTD.
5. The syndicate of lenders consists of Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, Limited, The Bank of Tokyo-Mitsubishi UFJ, Ltd., AEON BANK, LTD. and The Mie Bank.
6. The syndicate of lenders consists of Mizuho Bank, Ltd., and Sumitomo Mitsui Trust Bank, Limited.
7. Loan fees and other charges to be paid to the lenders are not included.
8. The base rate applicable to the period for calculation of the interest payable on an interest payment date is the three-month Japanese yen TIBOR (Tokyo Interbank Offered Rate) published by the General Incorporated Association JBA TIBOR Administration (JBATA) at two business days prior to the interest payment date. For changes in the JBA Japanese Yen TIBOR, which is the base rate, please refer to the JBATA website (<http://www.jbatibor.or.jp/english/rate/>).
9. The first interest payment date will be due on April 20, 2016, and subsequent interest payment dates will be due on January 20, April 20, July 20 and October 20 of every year and the principal repayment date (if a payment day is not a business day, then payment will be made on the next business day; provided, however, that if such payment day is included in the next month, then payment will be made on the immediately preceding business day). The base rate applicable to the period for calculation of the interest payable on an interest payment date is the three-month Japanese yen TIBOR (Tokyo Interbank Offered Rate) published by the General Incorporated Association JBA TIBOR Administration (JBATA) at two business days prior to the interest payment date. The base rate will be reviewed on every payment date; provided, however, that when the calculation period is less than three months, the base rate will be the base rate corresponding to the period calculated based on the method provided in the agreements.
10. An interest rate swap agreement will be executed in order to effectively fix the interest rate for the borrowing. There will be an announcement regarding the interest rate fixed on the basis of the interest rate swap agreement to be arranged, once such details have been determined.
11. If certain requirements including our advance written notice are met during the period between the date of executions of the debt financing and the repayment dates indicated above, each of the borrowing is repayable either in whole or in part prior to the maturity date.

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2. Reason for conducting debt financing

The proceeds from the Debt Financing will be used to fund a portion of acquisition price for the acquisition of AEON MALL Yamatokoriyama, AEON MALL Chiba-Newtown, AEON MALL Kofu Showa and AEON Chigasaki-Chuo Shopping Center and related expenses described in the “Notice Concerning Acquisition and Leases of Domestic Properties” announced on January 18, 2016.

3. Total amount to be procured, purpose of use and scheduled outlay date of the proceeds

(1) Total amount to be procured

25.5 billion yen in total

(2) Specific purpose of use

The proceeds from the Debt Financing will be used to fund a portion of acquisition price for the acquisition of AEON MALL Yamatokoriyama, AEON MALL Chiba-Newtown, AEON MALL Kofu Showa and AEON Chigasaki-Chuo Shopping Center and related expenses described in 2. above.

(3) Scheduled outlay date

February 29, March 29, and May 31, 2016

4. Status of balance of borrowings and other interest-bearing debt after the debt financing

(in millions of yen)

	Before the Debt Financing	After the Debt Financing	Change
Short-term borrowings (Note1)	—	—	—
Long-term borrowings (Note2)	73,400	98,900	25,500
Total borrowings	73,400	98,900	25,500
Investment corporation bonds	2,000	2,000	—
Total of borrowings and investment corporation bonds	75,400	100,900	25,500
Other interest-bearing liabilities	—	—	—
Total interest-bearing liabilities	75,400	100,900	25,500

(Notes)

1. Short-term borrowings are borrowings with a maturity of one year or less.
2. Long-term borrowings are borrowings with a maturity of more than one year and include long-term borrowings due for repayment within one year.

II. Additional Items Required to Ensure Appropriate Understanding and Judgments by Investors about Information Herein

Regarding risks concerning repayment and other risks associated with the Debt Financing, there are no significant changes to the disclosure under “Part II Reference information / 2. Information supplementary to reference documents / 6. Investment risks” in the Securities Registration Statement submitted by us on January 18, 2016.

End

* Distribution of this material: This material is distributed to “Kabuto Club” (a media correspondents’ club at the Tokyo Stock Exchange, Inc.), the press club at the Ministry of Land, Infrastructure, Transport and Tourism and the press club for construction trade newspapers at the Ministry of Land, Infrastructure, Transport and Tourism.

* AEON REIT Investment Corporation’s website: <http://www.aeon-jreit.co.jp/en/>

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