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For Immediate Release

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Notice Concerning Conclusion of Interest Rate Swap Agreements

AEON REIT Investment Corporation (“we” or the “Investment Corporation”) hereby announces it decided to execute interest rate swap agreements as announced on February 23, 2016 in the “Notice Concerning Debt Financing (Determination of borrowing amount and interest rate)”. Details are as follows.

I . Conclusion of Interest Rate Swap Agreements

1. Reason for conclusion

For the borrowings under individual term loan agreements entered into on February 25, 2016 shown in “2. Summary of interest rate swap agreements concluded” below, in order to fix interest rate payments and hedge the risk of rising interest rates.

2. Summary of interest rate swap agreements concluded

<New borrowings in connection with the interest rate swap agreements concluded>

Category	Financial institutions (lenders)	Borrowing amount (in billions of yen)	Interest rate	Borrowing date	Method	Maturity	Repayment Method	Security and guarantee
Debt Financing 1	Syndicate of lenders arranged by Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation and Sumitomo Mitsui Trust Bank, Limited	4.1	Base rate (JBA 3 months yen TIBOR) plus 0.22%	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 21, 2019	Bullet repayment	Unsecured and unguaranteed
Debt Financing 2		6.0	Base rate (JBA 3 months yen TIBOR) plus 0.37%	March 29, 2016		October 20, 2021		
Debt Financing 3		5.8	Base rate (JBA 3 months yen TIBOR) plus 0.52%			October 20, 2022		
Debt Financing 4		6.6	Base rate (JBA 3 months yen TIBOR) plus 0.82%	May 31, 2016		October 20, 2025		
Debt Financing 5		1.0	Base rate (JBA 3 months yen TIBOR) plus 1.12%	February 29, 2016		October 20, 2027		

(1) Interest rate swap agreement in connection with Debt Financing 1

1. Counterparty	SMBC Nikko Securities Inc.
2. Notional principal	¥4.1 billion
3. Interest rate	Fixed interest rate for payment: $\Delta 0.07250\%$ Variable interest rate for receipt: JBA 3 months yen TIBOR
4. Commencement date	February 29, 2016
5. Termination date	October 21, 2019
6. Interest payment date	The first interest payment date will be due on April 20, 2016, subsequent interest payment dates will be due on January 20, April 20, July 20 and October 20 of every year and the termination 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 interest rate for Debt Financing 1 will be effectively fixed at 0.14750% with the conclusion of this interest rate swap agreement.

(2) Interest rate swap agreement in connection with Debt Financing 2

1. Counterparty	SMBC Nikko Securities Inc.
2. Notional principal	¥6.0 billion
3. Interest rate	Fixed interest rate for payment: $\Delta 0.01875\%$ Variable interest rate for receipt: JBA 3 months yen TIBOR
4. Commencement date	March 29, 2016
5. Termination date	October 20, 2021
6. Interest payment date	The first interest payment date will be due on April 20, 2016, subsequent interest payment dates will be due on January 20, April 20, July 20 and October 20 of every year and the termination 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 interest rate for Debt Financing 2 will be effectively fixed at 0.35125% with the conclusion of this interest rate swap agreement.

(3) Interest rate swap agreement in connection with Debt Financing 3

1. Counterparty	Mitsubishi UFJ Trust and Banking Corporation
2. Notional principal	¥5.8 billion
3. Interest rate	Fixed interest rate for payment: 0.02100% Variable interest rate for receipt: JBA 3 months yen TIBOR
4. Commencement date	March 29, 2016
5. Termination date	October 20, 2022
6. Interest payment date	The first interest payment date will be due on April 20, 2016, subsequent interest payment dates will be due on January 20, April 20, July 20 and October 20 of every year and the termination 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 interest rate for Debt Financing 3 will be effectively fixed at 0.54100% with the conclusion of this interest rate swap agreement.

(4) Interest rate swap agreement in connection with Debt Financing 4

1. Counterparty	Nomura Securities Co., Ltd.
2. Notional principal	¥6.6 billion
3. Interest rate	Fixed interest rate for payment: 0.17100% Variable interest rate for receipt: JBA 3 months yen TIBOR
4. Commencement date	May 31, 2016
5. Termination date	October 20, 2025
6. Interest payment date	The first interest payment date will be due on July 20, 2016, subsequent interest payment dates will be due on January 20, April 20, July 20 and October 20 of every year and the termination 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 interest rate for Debt Financing 4 will be effectively fixed at 0.99100% with the conclusion of this interest rate swap agreement.

(5) Interest rate swap agreement in connection with Debt Financing 5

1. Counterparty	Nomura Securities Co., Ltd.
2. Notional principal	¥1.0 billion
3. Interest rate	Fixed interest rate for payment: 0.28730% Variable interest rate for receipt: JBA 3 months yen TIBOR
4. Commencement date	February 29, 2016
5. Termination date	October 20, 2027
6. Interest payment date	The first interest payment date will be due on April 20, 2016, subsequent interest payment dates will be due on January 20, April 20, July 20 and October 20 of every year and the termination 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 interest rate for Debt Financing 5 will be effectively fixed at 1.40730% with the conclusion of this interest rate swap agreement.

III. 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

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