

February 26, 2016

To whom it may concern:

<Investment Corporation>

Japan Real Estate Investment Corporation

Hiroshi Nakajima, Executive Director

(TSE code: 8952)

<Asset Management Company>

Japan Real Estate Asset Management Co., Ltd.

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Notice concerning Pre-payment of Loans

Announcement is hereby made that on February 26, 2016, Japan Real Estate Investment Corporation decided to make the pre-payment of the following existing loans prior to the principal repayment date:

1. Pre-payment of loans

- (a) Pre-payment date: March 1, 2016
- (b) Total amount of pre-payment: ¥2,000 million
- (c) Details of loans to be pre-paid before the due date:

< Short-term loans from Resona Bank, Limited and Shinkin Central Bank>

- (1) Amount of loans: ¥4,000 million
- (2) Lender, amount of loan, amount of pre-payment, balance after pre-payment of loans, start of loan period and principal repayment date:

Lender	Resona Bank, Limited	Shinkin Central Bank
Amount of loan	¥2,000 million	¥2,000 million
Amount of pre-payment	¥1,000 million	¥1,000 million
Balance	¥1,000 million	¥1,000 million
Start of loan period	September 1, 2015	
Principal repayment date	September 1, 2016	

- (3) Interest rate: 0.170% (From February 1, 2016 to February 29, 2016)
- (4) Borrowing method: Loan based on overdraft agreement concluded with each lender
Unsecured/unguaranteed loan
- (5) Interest payment date: 1st of every month until principal repayment date
- (6) Repayment of principal: Payment in full on principal repayment date

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

2. Funds for pre-payment

Own funds will be applied.

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

(Units: millions of yen)

	Before pre-payment	After pre-payment	Increase/Decrease
Short-term loans	32,200	30,200	− 2,000
Current portion of long-term loans	38,100	38,100	±0
Long-term loans (except for current portion)	282,650	282,650	±0
Total loans	352,950	350,950	− 2,000
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	372,950	370,950	− 2,000

4. Others

Regarding the loan repayment risk, there is no important change to the “Investment risks” description in the latest securities report submitted on December 24, 2015.

This notice is the English translation of the announcement in Japanese dated February 26, 2016.

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