

(Note) This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.



September 12, 2017

For Immediate Release

Investment Corporation:
 AEON REIT Investment Corporation
 1-2-1, Kanda Nishiki-cho, Chiyoda-ku, Tokyo
 Representative: Yasuo Shiozaki, Executive Director
 (Securities code: 3292)

Asset Manager:
 AEON REIT Management Co., Ltd.
 Representative: Yasuo Shiozaki, Representative Director and President

Inquiries: Keiji Tsukahara, Senior Managing Director and General Manager of the Finance and Planning Department
 (TEL. +81-3-5283-6360)

Notice Concerning Debt Financing

AEON REIT Investment Corporation (“we” or the “Investment Corporation”) hereby announces that today it has determined to conduct debt financing (the “Debt Financing”) as described below.

I. Debt Financing

1. Details of the Debt Financing

Term	Financial institutions (lenders)	Borrowing amount (scheduled) (in billions of yen)	Interest rate	Borrowing date	Financing method	Maturity	Repayment method (Note 3)	Security and guarantee
Short-term	Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation and Sumitomo Mitsui Trust Bank, Limited	1.5	Base rate (JBA one-month Japanese Yen TIBOR) plus 0.22% (Note 2)	September 19, 2017	Debt financing based on individual term loan agreements entered into on September 14, 2017 with the lenders shown on the left	December 27, 2017	Bullet repayment	Unsecured and unguaranteed
Short-term	Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation and Sumitomo Mitsui Trust Bank, Limited	4.5	Base rate (JBA one-month Japanese Yen TIBOR) plus 0.22% (Note 2)	September 19, 2017	Debt financing based on individual term loan agreements entered into on September 14, 2017 with the lenders shown on the left	September 29, 2017	Bullet repayment	Unsecured and unguaranteed

(Notes)

- The Debt Financing is subject to the fulfillment of certain requirements such as the execution of a loan agreement which is reasonably satisfactory to the lenders and the fulfillment of all of the conditions precedent to the lending as may be separately agreed upon.
- The base rate applicable to the period for calculation of the interest payable on an interest payment date is the one-month Japanese Yen Tokyo Interbank Offered Rate (TIBOR) published by Japanese Bankers Association (“JBA”) TIBOR Administration (“JBATA”), General Incorporated Association, 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’s website (<http://www.jbatibor.or.jp/english/rate/>).

Disclaimer: 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 (if any) prepared by us.

3. If certain requirements, including our advance written notice, are met during the period between the borrowing date and the maturity date set forth above, each loan comprising the Debt Financing is repayable either in whole or in part prior to the maturity date.
4. Other than the above, we may additionally borrow up to 2.0 billion yen from Mizuho Bank, Ltd., and Sumitomo Mitsui Banking Corporation for the purpose of the acquisition of Kemigawahama BAYSIDE MALL FERIA (tentative name: AEON STYLE Kemigawahama), as stated in “Notice Concerning Acquisition and Leases of Domestic Properties” on June 23, 2017.

2. Reason for conducting the Debt Financing

The proceeds from the Debt Financing will be used to fund a portion of acquisition price for the acquisition of AEON MALL Shimotsuma, AEON Kireuriwari Shopping Center and Daiei-Ibaraki Process Center, and related expenses described in the “Notice Concerning Acquisition and Leases of Domestic Properties” announced today.

3. Total amount to be procured, use of proceeds and anticipated disbursement date of the proceeds

(1) Total amount to be procured

6.0 billion yen in total (scheduled)

(2) Specific use of proceeds

The proceeds from the Debt Financing will be used to fund a portion of acquisition price for the acquisition of AEON MALL Shimotsuma, AEON Kireuriwari Shopping Center and Daiei-Ibaraki Process Center, and related expenses described in 2. above.

(3) Anticipated disbursement date

September 19, 2017 and October 2, 2017

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

(Units: millions of yen)

	Before the Debt Financing	After the Debt Financing	Change
Short-term borrowings (Note 1)	1,500	7,500	6,000
Long-term borrowings (Note 2)	143,000	143,000	-
Total borrowings	144,500	150,500	6,000
Investment corporation bonds	4,000	4,000	-
Total of borrowings and investment corporation bonds	148,500	154,500	6,000
Other interest-bearing liabilities	-	-	-
Total interest-bearing liabilities	148,500	154,500	6,000

(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.

Disclaimer: 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 (if any) prepared by us.

II. Additional Items Required to Ensure Appropriate Understanding and Judgment by Investors about the Information Contained 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 September 12, 2017.

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/>

Disclaimer: 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 (if any) prepared by us.
