KENEDIX
Office Investment Corporation

Translation of Japanese Original

July 12, 2017

To All Concerned Parties

REIT Issuer:
Kenedix Office Investment Corporation
Naokatsu Uchida, Executive Director
(Securities Code: 8972)

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Notice Concerning Issuance of Investment Corporation Bonds and Change of Acquisition Funds for a Property

Kenedix Office Investment Corporation ("the Investment Corporation") today announced the decision to issue investment corporation bonds through public offering based on the comprehensive resolution adopted at the board of directors' meeting held on January 27, 2017 and change acquisition funds for a property (Takeyama White Building).

1. Outline of the Investment Corporation Bonds

(1) Names of the Investment Corporation Bonds	Kenedix Office Investment Corporation Eighth Series Unsecured Investment Corporation Bonds (Ranking *pari passu* among the specified investment corporation bonds) (The aforementioned investment corporation bonds shall hereafter be referred to as "the Eighth Series Bonds".) Kenedix Office Investment Corporation Nineth Series Unsecured Investment Corporation Bonds (Ranking *pari passu* among the specified investment corporation bonds) (The aforementioned investment corporation bonds shall hereafter be referred to as "the Nineth Series Bonds".) The aforementioned investment corporation bonds shall hereafter be referred to collectively as "the Investment Corporation Bonds".
(2) Total Amount of the Investment Corporation Bonds	3.0 billion yen Breakdown: The Eighth Series Bonds 1.0 billion yen The Nineth Series Bonds 2.0 billion yen
(3) Form of the Investment Corporation Bonds Certificate	The Bonds Transfer Act is applicable to the Investment Corporation Bonds, thus the Investment Corporation Bonds certificates will not be issued.
(4) Issue Price of Each Bond	100 per yen value of 100 yen
(5) Redemption Price of Each Bond	100 per yen value of 100 yen
(6) Interest Rate	The Eighth Series Bonds: 0.260% per annum The Nineth Series Bonds: 0.640% per annum

(7) Denomination of Each Bond	0.1 billion yen
(8) Offering Method of the Investment Corporation Bonds	Public offering
(9) Offering Period of the Investment Corporation Bonds	July 12, 2017 (Wednesday)
(10) Payment Date of the Investment Corporation Bonds	July 19, 2017 (Wednesday)
(11) Collateral and Guarantee	No collateral or guarantee is applicable, and no assets are specifically reserved as collateral for the Investment Corporation Bonds.
(12) Redemption Method and Maturity	The total amount of the Investment Corporation Bonds shall be redeemed at the following maturity date. The Eighth Series Bonds: July 19, 2022 The Nineth Series Bonds: July 16, 2027 Each bond may be purchased and cancelled at any time after the payment date of the Investment Corporation Bonds, except for the case of service regulations and other rules that the statutory or depository otherwise stipulates. If each maturity date of the Investment Corporation Bonds falls on the bank holiday, the payment will be brought forward to the previous bank business day.
(13) Interest Payment Dates of the Investment Corporation Bonds	January 31, 2018 as the first interest payment date and thereafter January 31 and July 31, every year and the maturity date (If the interest payment dates of the Investment Corporation Bonds fall on the bank holiday, the payment will be brought forward to the previous bank business day.)
(14) Financial Covenants of the Investment Corporation Bonds	The negative pledge is applicable to the Investment Corporation Bonds.
(15) Ratings of the Investment Corporation Bonds	AA－ (Japan Credit Rating Agency, Ltd.)
(16) Depository of the Investment Corporation Bonds	Japan Securities Depository Center, Inc.
(17) Fiscal Agent, Issuing Agent and Paying Agent of the Investment Corporation Bonds	Mitsubishi UFJ Trust and Banking Corporation
(18) Underwriting Securities Companies of the Investment Corporation Bonds	SMBC Nikko Securities Inc. Mizuho Securities Co., Ltd. Daiwa Securities Co. Ltd. Nomura Securities Co.,Ltd.

2. Reason for Bonds Issuance

To apply the funds towards the acquisition funds and costs of Takeyama White Building (Note), anticipated to be acquired on July 20, 2017, and a portion of redemption funds for Kenedix Office Investment Corporation Fourth Series Unsecured Investment Corporation Bonds (1.5 billion yen) with maturity date of September 8, 2017.

Note: For the outlines of the acquisition of Takeyama White Building, please refer to the press release, "Notice Concerning Acquisition of Property (Takeyama White Building)" dated June 28, 2017.

3. Total Amount to be Procured, Use of Funds and Scheduled Outlay Period

(1) Total amount to be procured (approximate net balance)

2,977 million yen

(2) Specific use of funds and scheduled outlay period

The estimated issuance cost of 23 million yen is deducted from the total amount to be paid in the Investment Corporation Bonds of 3,000 million yen, and the approximate net balance of 2,977 million yen is planned to be used for the acquisition funds and costs of Takeyama White Building, anticipated to be acquired on July 20, 2017, and the remaining amount is done for a portion of redemption funds for Kenedix Office Investment Corporation Fourth Series Unsecured Investment Corporation Bonds (1,500 million yen) with maturity date of September 8, 2017.

4. Status of Debt Financing and Investment Corporation Bonds after Issuance of the Investment Corporation Bonds (as of July 19, 2017)

(Millions of yen)

		Balance Before Issuance of the Investment Corporation Bonds	Balance After Issuance of the Investment Corporation Bonds	Difference
	Short-Term Borrowings (Note 1)	4,000	4,000	0
	Long-Term Borrowings (Note 2)	164,300	164,300	0
	Total Borrowings	168,300	168,300	0
	Corporate Bonds	6,300	9,300	+3,000
Total Borrowings and Corporate Bonds		174,600	177,600	+3,000

Note 1: Short-term borrowings refer to debt financing with a period of less than or equal to one year from the drawdown date to the repayment date. However, the borrowings whose period until 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 the following business day, are included in short-term borrowings.

Note 2: Long-term borrowings refer to debt financing with a period of more than one year from the drawdown date to the repayment date.

5. Change of Acquisition Funds for a Property (Takeyama White Building)

The acquisition funds for Takeyama White Building was planned to be cash on hand as announced by "Notice Concerning Acquisition of Property (Takeyama White Building)" dated June 28, 2017, but have been changed to the funds to be procured by the Investment Corporation Bonds.

6. Other

For risks concerning the issuance, redemption and others of the Investment Corporation Bonds, there are no significant changes to "the Investment Risks" described in the 23rd Securities Report (submitted on January 30, 2017).

【Reference】

The Investment Corporation submitted Shelf Registration Supplements to the Director of Kanto Local Finance Bureau concerning the Investment Corporation Bonds today.

The Investment Corporation's website: http://www.kdo-reit.com/en/

This notice is the English translation of the Japanese announcement on our web site released on July 12, 2017. However, no assurance or warranties are given for the completeness or accuracy of this English translation.