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November 16, 2018

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: Akifumi Togawa, General Manager of the Finance
and Planning Department
(TEL: +81-3-5283-6360)

Notice Concerning Issuance of Investment Corporation Bonds

AEON REIT Investment Corporation (the “Investment Corporation”) hereby announces that today it has decided to issue investment corporation bonds, based on the comprehensive resolution on bond issuance at the Investment Corporation’s Board of Directors’ Meeting held on October 24, 2018. Details are provided below.

1. Outline of the Investment Corporation Bonds

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| (1) Name of the Investment Corporation Bonds | : Fifth Series Unsecured Investment Corporation Bond of AEON REIT Investment Corporation
(ranking pari passu only among investment corporation bonds)
(nickname : Daikansha-sai of AEON REIT) (The aforementioned investment corporation bonds shall hereafter be referred to as “the Investment Corporation Bonds.”) |
| (2) Total issue amount | : Total amount : ¥15 billion |
| (3) Form of bond certificate | : Under the Act on Book-Entry of Company Bonds, Shares, etc., bond certificates for the Investment Corporation Bonds will not be issued. |
| (4) Issue price | : ¥100 per value of ¥100 of each bond |
| (5) Redemption price | : ¥100 per value of ¥100 of each bond |
| (6) Interest rate | : 0.783% per annum |
| (7) Amount of each bond | : ¥1 million |
| (8) Offering method | : Public offering |
| (9) Subscription date | : from November 19, 2018 to December 6, 2018 |
| (10) Payment date | : December 7, 2018 |
| (11) Collateral / Guarantee | : There is no collateral or guarantee on the Investment Corporation Bonds. There are no assets reserved as security for the Investment Corporation Bonds. |
| (12) Redemption method and date | : December 7, 2028
The Investment Corporation Bonds may be purchased and cancelled at any time after the payment date, except for the case of business regulations and other rules that the statutory or depository institution otherwise stipulates. |
| (13) Interest payment date | : The first payment date is June 7, 2019 (Friday). Thereafter, the 7th day of June and December of each year. (However, when interest is paid for a period less than half a year, interest is calculated on a per diem basis for the said half a year.) (If the date of interest payment falls on a bank holiday, the said payment is moved up to the |

- preceding bank business day. In addition, if the said date is moved up, interest will not be reduced.)
- (14) Financial covenant : The provisions for restriction on provision of security and the provision for the change to secured bonds are included.
- (15) Rating : AA- (Japan Credit Rating Agency, Ltd.)
- (16) Manager of investment corporation bonds : Mizuho Bank, Ltd.
- (17) Issuing agent and paying agent : Mizuho Bank, Ltd.
- (18) Underwriters : SMBC Nikko Securities Inc.
Daiwa Securities Co., Ltd.
Mizuho Securities Co., Ltd.
- (18) Benefit : Those who purchase these investment corporation bonds will be presented the gift certificates (worth 1,000 yen for each one million yen of these investment corporation bonds) which can be used at the stores of the AEON Group around Japan. (Note)

Homepage address for the list of stores at which those gift certificates can be used:

<https://www.aeonretail.jp/campaign/shohinken/> (Japanese Only)

(note) The gift certificates cannot be used at some stores. For details, please ask the store near you.

2. Reason for Issuance

The Investment Corporation has decided to make a repayment of its outstanding borrowings by fund procured through issuance of bonds in order to diversify and extend the debt maturity date and diversify the financing methods.

3. Total Amount to be Procured, Use of Funds and Scheduled Expenditure Date

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

¥14,850 million

(2) Particulars of use of funds and the scheduled expenditure date

Repayment of the existing borrowings which will be matured by December 20, 2018.

4. Status of borrowings, etc., after issuance of the Investment Corporation Bonds

(Unit: millions of yen)

	Before issuance of the Investment Corporation Bonds	After issuance of the Investment Corporation Bonds	Increase (Decrease)
Short-term borrowings (Note 1)	15,000	15,000	—
Long-term borrowings (Note 2)	129,000	129,000	—
Total borrowings	144,000	144,000	—
Investment corporation bonds	6,000	21,000	15,000
Total of borrowings and investment corporation bonds	150,000	165,000	15,000
Other interest-bearing debts	—	—	—
Total interest-bearing debts	150,000	165,000	15,000

(Notes)

1. Short-term borrowings are borrowings with maturity periods of one year or less.

2. Long-term borrowings are borrowings with maturity periods of more than one year, and includes

long-term borrowing due for repayment within one year.

5. Additional items required to ensure appropriate understanding and judgment by Investors about the information contained herein:

As for risks regarding issuance, redemption, etc. of the Investment Corporation Bonds, there are no material changes from the “Investment risks” mentioned in the semiannual securities report for the 11th fiscal period (submitted on October 24, 2018).

*This document is released to media organizations through the “Kabuto Club”(the press club of the Tokyo Stock Exchange), the Ministry of Land, Infrastructure and Transport Press Club, and the Press Club for the Ministry of Land, Infrastructure and Transport Construction Paper.

* The Investment Corporation’s website: <https://www.aeon-jreit.co.jp/en/index.html>