

March 22, 2018

For Immediate Release

<Investment Corporation>

Japan Real Estate Investment Corporation

Hiroshi Nakajima, Executive Director

(TSE code: 8952)

<Asset Management Company>

Japan Real Estate Asset Management Co., Ltd.

Naoki Umeda, President & CEO

Contact: Ryuta Yoshida

Director, Senior Executive Officer &

General Manager, Planning Department

Phone: +81-3-3211-7951

Announcement of Debt Financing

Japan Real Estate Investment Corporation hereby announces its decision on March 22, 2018 to procure funds as follows:

1. Reason for the borrowing

Repayment of the existing long-term loan of ¥5 billion executed on March 24, 2011 and March 25, 2013.

2. Details of the borrowing

< Long-term loan 1 >

- | | |
|-------------------------------|---|
| (1) Amount of loan: | ¥2,000 million |
| (2) Lender: | The Chugoku Bank, Limited |
| (3) Interest rate: | 0.1988% (fixed interest) |
| (4) Start of loan period: | March 26, 2018 |
| (5) Borrowing method: | Loan agreement on March 22, 2018
Unsecured/unguaranteed loan |
| (6) Interest payment date: | 26th of every March and September until the principal repayment date (Note 1) |
| (7) Repayment of principal: | Payment in full on the principal repayment date |
| (8) Principal repayment date: | March 27, 2023 (pre-payment possible) |

< Long-term loan 2 >

- (1) Amount of loan: ¥1,000 million
- (2) Lender: The Hachijuni Bank, Ltd.
- (3) Interest rate: 0.2338% (fixed interest)
- (4) Start of loan period: March 26, 2018
- (5) Borrowing method: Loan agreement on March 22, 2018
Unsecured/unguaranteed loan
- (6) Interest payment date: 26th of every March and September until the principal repayment date (Note 1)
- (7) Repayment of principal: Payment in full on the principal repayment date
- (8) Principal repayment date: March 26, 2024 (pre-payment possible)

< Long-term loan 3 >

- (1) Amount of loan: ¥2,000 million
- (2) Lender: The Bank of Tokyo-Mitsubishi UFJ, Ltd.
- (3) Interest rate: 0.2725% (fixed interest)
- (4) Start of loan period: March 26, 2018
- (5) Borrowing method: Loan agreement on March 22, 2018
Unsecured/unguaranteed loan
- (6) Interest payment date: 26th of every March and September until the principal repayment date (Note 1)
- (7) Repayment of principal: Payment in full on the principal repayment date
- (8) Principal repayment date: March 26, 2025 (pre-payment possible)

(Note 1) In the event that the interest payment date does not fall on a business day, the interest shall be paid on the following business day. If the following business day, however, falls in the following month, the payment shall be made on the preceding business day of the interest payment date.

3. Balance of interest-bearing debt after the debt financing

(Units: millions of yen)

	Before	After	Increase/Decrease
Short-term loans	21,500	21,500	±0
Long-term loans(Variable interest)	22,000	22,000	±0
Long-term loans(Fixed interest)	304,500	304,500	±0
Total loans	348,000	348,000	±0
Investment corporation bonds	32,993	32,993	±0
Total investment corporation bonds	32,993	32,993	±0
Total interest-bearing debts	380,993	380,993	±0

4. Others

Regarding loan repayment related risks, there is no important change to the “Investment risks” description in the latest securities report submitted on December 26, 2017.

This is the English translation of the announcement in Japanese dated March 22, 2018.

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