

November 27, 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 Pre-payment of Loan and Debt Financing

Japan Real Estate Investment Corporation (“JRE”) hereby announces its decision on November 27, 2018, to make the pre-payment of the existing loan prior to the principal repayment date and to procure funds as follows:

1. Pre-payment of short-term loan

- (I) Pre-payment date: November 29, 2018
- (II) Details of loan to be pre-paid before the due date:
 - (1) Amount of loan: ¥7,000 million
 - (2) Lender: Mizuho Bank, Ltd.
 - (3) Interest rate: 0.1027% (From October 29, 2018 to November 28, 2018)
 - (4) Start of loan period: August 29, 2018
 - (5) Borrowing method: Overdraft agreement
Unsecured/unguaranteed loan
 - (6) Interest payment date: 29th of every month until the principal repayment date
 - (7) Repayment of principal: Payment in full on the principal repayment date
 - (8) Principal repayment date: August 29, 2019

* There will be no settlement payment upon this early repayment.

2. Debt Financing

(I) Reason for the borrowing

Pre-payment of a part (¥6 billion) of the above mentioned short-term loan of ¥7 billion (Note 1).

(II) Details of the borrowing

<Long-term loan①>

- | | |
|-------------------------------|---|
| (1) Amount of loan: | ¥3,000 million |
| (2) Lender: | Sumitomo Mitsui Banking Corporation |
| (3) Interest rate: | 0.1694% (Fix) |
| (4) Start of loan period: | November 29, 2018 |
| (5) Borrowing method: | Loan agreement on November 27, 2018
Unsecured/unguaranteed loan |
| (6) Interest payment date: | 29th of every May and November until the principal
repayment date (Note 2) |
| (7) Repayment of principal: | Payment in full on the principal repayment date |
| (8) Principal repayment date: | May 29, 2023 |

<Long-term loan②>

- | | |
|-------------------------------|---|
| (1) Amount of loan: | ¥3,000 million |
| (2) Lender: | Sumitomo Mitsui Trust Bank, Limited |
| (3) Interest rate: | 0.1694% (Fix) |
| (4) Start of loan period: | November 29, 2018 |
| (5) Borrowing method: | Loan agreement on November 27, 2018
Unsecured/unguaranteed loan |
| (6) Interest payment date: | 29th of every May and November until the principal
repayment date (Note 2) |
| (7) Repayment of principal: | Payment in full on the principal repayment date |
| (8) Principal repayment date: | May 29, 2023 |

(Note 1) ¥1 billion out of the total amount for pre-payment of the existing short-term loan of ¥7 billion will be paid by own funds.

(Note 2) 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 debts after the pre-payment of the loan and the debt financing

(Units: millions of yen)

	Before	After	Increase/Decrease
Short-term loans	18,500	11,500	-7,000
Long-term loans (Variable interest)	22,000	22,000	±0
Long-term loans (Fixed interest)	312,000	318,000	+6,000
Total loans	352,500	351,500	-1,000
Investment corporation bonds	32,993	32,993	±0
Total investment corporation bonds	32,993	32,993	±0
Total interest-bearing debts	385,493	384,493	-1,000

4. Others

Regarding the loan repayment risks, there is no material change to the “Investment risks” description in the latest securities report submitted on June 26, 2018.

This is the English translation of the announcement in Japanese dated November 27, 2018.

No assurance or warranties are given for the completeness or accuracy of this English translation.