KENEDIX
Office Investment Corporation

Translation of Japanese Original

March 22, 2018

To All Concerned Parties

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Notice Concerning Debt Financing (Series 153 and 154) and the Execution of Interest Rate Swap Agreements

Kenedix Office Investment Corporation ("the Investment Corporation") has announced today, that the Investment Corporation decided to undertake the debt financing (total of 3,000 million yen) and the execution of interest rate swap agreements.
Please see below for the details.

1. Outline of Debt Financing

Series	Lender	Amount	Interest Rate (Note 1) (Note 2)	Contract Date	Drawdown Date	Principal Repayment Date (Note 1)	Collateral・Repayment Method
153-A	Sumitomo Mitsui Banking Corporation	1,000 million yen	Base rate (JPY TIBOR for 1 month) + 0.55000%	March 22, 2018	March 26, 2018	March 31, 2027	Unsecured, unguaranteed・Repayment of principal in full on maturity date
153-B	Resona Bank, Limited	1,000 million yen	Base rate (JPY TIBOR for 1 month) + 0.60000%			March 31, 2028	
154	Sumitomo Mitsui Banking Corporation	1,000 million yen	Base rate (JPY TIBOR for 1 month) + 0.30000%		March 30, 2018	March 29, 2019	

Note 1: The first interest payment is due at the end of April 2018, and on the last day of every month thereafter with the principal repayment day. If each interest payment day or the principal repayment day is a non-business day, then the interest payment or the principal repayment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.

Note 2: The base rate that is applied during interest period for the interest due on each interest payment date shall be calculated based on Japanese Yen TIBOR for 1 month, while Japanese Yen TIBOR for 2 months rate only for the first interest payment of Series 153-B, which the JBA TIBOR Administration ("the JBATA") releases two business days before each interest payment date. The Japanese Yen TIBOR of the JBATA is available on the JBATA website (http://www.jbatibor.or.jp/english/rate/).

2. Purpose of Debt Financing

Series 153 is to apply the fund towards the repayment of Series 83 (total of 2,000 million yen) with the principal repayment date of March 26, 2018 and Series 154 is to apply the fund towards the repayment of Series 139 (total of 1,000 million yen) with the principal repayment date of March 30, 2018.

3. Interest Rate Swap Agreement

(1) Purpose

For a hedge against possible increases in future interest rate of Series 153 among the debt financing with floating interest rate.

(2) Details of the Interest Rate Swap Agreements

Series		153-A	153-B
Counterparty		Sumitomo Mitsui Trust Bank, Limited	Nomura Securities Co., Ltd.
Notional Amount		1,000 million yen	1,000 million yen
Interest Rate	Fixed Interest Rate for Payment (Note)	0.25800%	0.30150%
	Floating Interest Rate for Receipt	Base rate (JPY TIBOR for 1 month)	Base rate (JPY TIBOR for 1 month, JPY TIBOR for 2 months for the first payment)
Commencement Date		March 26, 2018	March 26, 2018
Termination Date		March 31, 2027	March 31, 2028
Payment Date		The first payment is due at the end of April 2018, and on the last day of every month thereafter, with March 31, 2027. (If each payment day is a non-business day, then the payment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.)	The first payment is due at the end of April 2018, and on the last day of every month thereafter, with March 31, 2028. (If each payment day is a non-business day, then the payment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.)

Note: By entering into the interest rate swap agreements, the interest rates for Series 153-A and 153-B are essentially fixed at 0.80800% and 0.90150%, respectively.

4. Status of Borrowings and Corporate Bonds after the Debt Financing (as of March 30, 2018)

(Millions of yen)

Classification	Balance before the Debt Financing	Balance after the Debt Financing	Difference
Short-Term Borrowings (Note 1)	6,000	6,000	0
Long-Term Borrowings (Note 2)	172,050	172,050	0
Total Borrowings	178,050	178,050	0
Corporate Bonds	7,800	7,800	0
Total Borrowings and Corporate Bonds	185,850	185,850	0

Note 1: Short-term borrowings refer to debt financing with a period less than or equal to one year from the drawdown date to the principal repayment date. However, the borrowings for which the period until the principal repayment date have surpassed one year because the principal repayment date one year from the drawdown date is not a business day, and for which the principal repayment date has been moved to a different business day, are included in short-term borrowings.

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

5. Other

For risks concerning the repayment, etc. of the aforementioned debt financing, there are no significant changes to the "Investment Risks" as described in the Securities Report (submitted on January 30, 2018).

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

This notice is the English translation of the Japanese announcement on our website released on March 22, 2018. However, no assurance or warranties are given for the completeness or accuracy of this English translation.