

November 8, 2019

For Immediate Release

Investment Corporation

Japan Real Estate Investment Corporation

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(TSE code: 8952)

Asset Management Company

Japan Real Estate Asset Management Co., Ltd.

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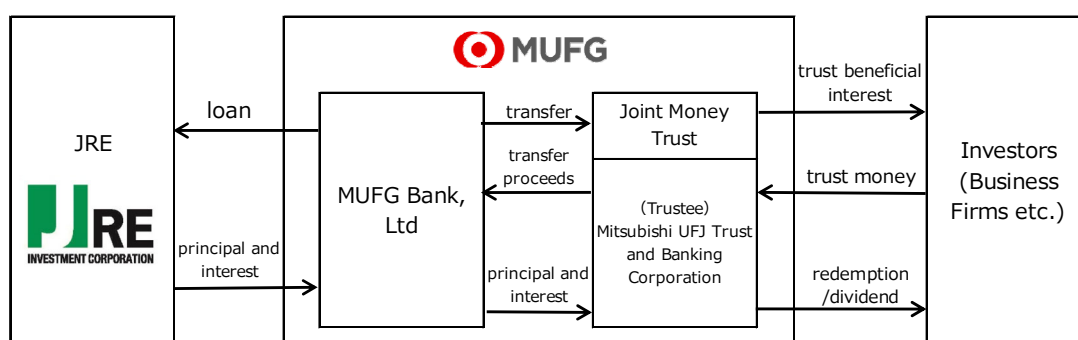
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Announcement of Debt Financing

Japan Real Estate Investment Corporation (“JRE”) hereby announces its decision today to procure funds. Furthermore, the lender, MUFG Bank, Ltd., will assign all or part of the loan receivable to be owed by JRE to Mitsubishi UFJ Trust and Banking Corporation (“MUTB”), and then MUTB will form a money trust called “jointly-operated designated money trust”. In this money trust operations, MUTB jointly manages their investors’ money in trust, whose investment destination is designated as the said loan receivable. Since this series of processes enables JRE to procure funds not only from financial institutions, such as banks and insurance companies, but also from corporate entities other than those, it will lead JRE to make its funding methods and lenders more diversified and varied.



※ Money trust in which investors’ money trusted under the same terms and conditions is jointly managed

1. Reason for the borrowing

Repayments of the existing long-term loan of ¥6 billion executed on November 15, 2011 and the existing short-term loan of ¥5 billion executed on November 5, 2019.

2. Outline of the borrowing

- | | |
|------------------------------------|--|
| (1) Amount of loan: | ¥11,000 million |
| (2) Lender: | MUFG Bank, Ltd. (Note 1) |
| (3) Interest rate: | Base rate (3-month JPY TIBOR published by Japanese Bankers Association (hereinafter "JBA")) + 0.04 % (Note 2) |
| (4) Borrowing date | November 15, 2019 |
| (5) Method of borrowing: | Loan based on overdraft agreement
Unsecured/unguaranteed loan |
| (6) Interest payment date: | the principal repayment date (Note 3) |
| (7) Method of principal repayment: | Lump-sum payment of principal and interest on the principal repayment date |
| (8) Principal repayment date | February 17, 2020 |

(Note 1) In the event of the assignment of the loan receivable, all or part of the borrowing is owed to Mitsubishi UFJ Trust and Banking Corporation.

(Note 2) ・ The base rate to calculate the interest to be paid on the interest payment date is JBA 3-month JPY TIBOR as of the second preceding business day of the borrowing date. (JBA 3-month JPY TIBOR as of November 8, 2019 is 0.06727%.)

・ For the JBA Japanese Yen TIBOR, please refer to JBA TIBOR administration's website (<http://www.jbatibor.or.jp/english/rate/>).

(Note 3) In the event that an 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 immediately 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 payable	13,500	19,500	+ 6,000
Long-term loans payable (Variable interest rate)	22,000	22,000	±0
Long-term loans payable (Fixed interest rate)	318,500	312,500	− 6,000
Total loans	354,000	354,000	±0
Investment corporation bonds	32,993	32,993	±0
Total investment corporation bonds	32,993	32,993	±0
Total interest-bearing debt	386,993	386,993	±0

4. Others

Regarding risks pertaining to this loan repayment, there is no material change to the "Investment risks" description in the latest securities report submitted on June 25, 2019.

This is the English translation of the announcement in Japanese dated November 8, 2019.

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