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For Immediate Release

Investment Corporation

Japan Real Estate Investment Corporation

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(TSE code: 8952)

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Announcement of Loan Prepayment and Debt Financing (Sustainability-Linked Loan)

Japan Real Estate Investment Corporation hereby announces its decision today to repay the existing loans before the due date and to procure funds as follows:

1. Prepayment of Short-Term Loans

(I) Prepayment date: September 9, 2024

(II) Overview of loan to be repaid before the due date:

(1)	Amount of loan to be prepaid	JPY 3,000 million	JPY 2,000 million
(2)	Amount of loan	JPY 11,500 million	JPY 2,000 million (Note)
(3)	Amount of loan outstanding after the prepayment	JPY 8,500 million	—
(4)	Lender	MUFG Bank, Ltd.	Mizuho Bank, Ltd.
(5)	Interest rate	0.38909% (from August 8, 2024 through September 8, 2024)	0.3890% (from August 8, 2024 through September 8, 2024)
(6)	Borrowing date	March 8, 2024	
(7)	Method of borrowing	Loan based on overdraft agreement Unsecured/unguaranteed loan	
(8)	Interest payment date	The principal repayment date and the 8th of every month in the period until the principal repayment date	
(9)	Method of principal repayment	Lump-sum repayment on the principal repayment date	
(10)	Principal repayment date	March 10, 2025	
(11)	Disclosure date	March 7, 2024	

*There will be no early repayment fee due to this loan prepayment.

(Note) The number stated in the “(2) Amount of loan” refers to the loan amount outstanding after the loan prepayment as described in the press release titled “Announcement of Loan Prepayment and Debt Financing” dated June 26, 2024.

2. Debt Financing

(I) Reason for the borrowing

To apply the following loan to the prepayment of the above-mentioned loans

(II) Overview of the borrowing

(1)	Amount of loan	JPY 5,000 million (Note1)
(2)	Lender	Saitama Resona Bank,Limited
(3)	Interest rate	1. 0375% (Fixed) (Note2)
(4)	Borrowing date	August 30, 2024
(5)	Method of borrowing	Loan agreement dated August 28, 2024 Unsecured/unguaranteed loan
(6)	Interest payment date	The principal repayment date and the last day of every February, and August in the period until the principal repayment date (Note3)
(7)	Method of principal repayment	Lump-sum repayment on the principal repayment date
(8)	Principal repayment date	August 31, 2034

(Note1) This loan will be applied to prepayment of the above-mentioned loans from MUFG Bank, Ltd. and Mizuho Bank, Ltd., and the funds will be deposited with financial institutions until the time of the prepayment.

(Note2) This borrowing will be procured through a sustainability-linked loan ("SLL"), whose loan terms are aligned with JRE's achievement status of the following sustainability performance target ("SPT") set beforehand.

• SPT : Reduce CO₂ emissions by 80% by fiscal 2030 (Base year: Fiscal 2019 / Absolute basis)

The applicable interest rate will be lower by 0.01% on the condition that the above target set as SPT is achieved for the respective performance levels set for February 2025, February 2028, February 2031, and February 2032, for the period until the performance level is next confirmed (for the time of final confirmation, the repayment date).

Please refer to "Loans and Bonds" under Financial Summary of JRE's website

<https://www.j-re.co.jp/en/cms/finance/debt.html> for the interest rate applicable after the performance level is confirmed.

Moreover, in concluding the agreement for the SLL, JRE has established "Sustainability-Linked Loan Framework" and obtained a second-party opinion from Japan Credit Rating Agency, Ltd. (JCR) with regard to conformity with the Sustainability Linked Loan Principles and the rationality of the established SPT.

(Note3) When an interest payment date is not a business day, the interest shall be paid on the following business day or the immediately preceding business day if the following business day is in the following month.

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

(Units: millions of JPY)

	Before	After	Increase/Decrease
Short-term loans payable	45,500	40,500	-5,000
Long-term loans payable (Variable interest rate)	19,500	19,500	±0
Long-term loans payable (Fixed interest rate)	367,200	372,200	+5,000
Total loans	432,200	432,200	±0
Investment corporation bonds	32,993	32,993	±0
Total investment corporation bonds	32,993	32,993	±0
Total interest-bearing debt	465,193	465,193	±0

4. Others

Regarding risks pertaining to this loan repayment, there is no material change to the descriptions of “Investment risks” in the latest securities report submitted on June 25, 2024.

This is the English translation of the announcement in Japanese dated August 28, 2024.

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