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September 27, 2016

For Immediate Release

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AEON REIT Investment Corporation  
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(Securities code: 3292)

Asset Manager:  
AEON Reit Management Co., Ltd.  
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Notice Concerning Debt Financing  
(For Acquisition of Shares etc., Issued by Overseas Real Estate Holding Corporation)

AEON REIT Investment Corporation (“we” or the “Investment Corporation”) hereby announces that today it determined the debt financing (the “Debt Financing”) as mentioned below.

1. Debt Financing:

(1) Details of the Debt Financing

Term	Financial institutions (lenders)	Scheduled borrowing amount (in billions of yen)	Interest rate (Note 2) (Note 3) (Note 4)	Borrowing date	Financing method	Maturity	Repayment Method (Note 5)	Security and guarantee
Long term	Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation and Sumitomo Mitsui Trust Bank, Limited	3.0	Base rate (JBA three-month Japanese Yen TIBOR) plus 0.22%	September 30, 2016	Debt financing based on individual term loan agreements entered into on September 28, 2016 with the lenders mentioned in “Financial institutions”	October 20, 2017	Bullet repayment	Unsecured and unguaranteed

(Notes)

- The Debt Financing is subject to the fulfillment of certain requirements such as the execution of a loan agreement which is reasonably satisfactory to the lenders and the fulfillment of all of the conditions precedent to the lending as may be separately agreed upon.
- Loan fees and other charges to be paid to the lenders are not included.
- The base rate applicable to the period for calculation of the interest payable on an interest payment date is the three-month Japanese Yen Tokyo Interbank Offered Rate (TIBOR) published by Japanese Bankers Association (“JBA”) TIBOR Administration (“JBATA”), General Incorporated Association, two business days prior to the interest payment date. For changes in the JBA Japanese Yen TIBOR, which is the base rate, please refer to the JBATA’s website (<http://www.jbatibor.or.jp/english/rate/>).
- The first interest payment date will be due on October 20, 2016, and subsequent interest payment dates will be due on 20<sup>th</sup> day of January, April, July and October of every year and the principal repayment date (if a payment day is not a business day, then payment will be made on the next business day; provided, however, that if such payment day is included in the next month, then payment will be made on the immediately preceding business day). The base rate applicable to the period for calculation of the interest payable on an interest payment date is the three-month Japanese Yen TIBOR published by JBATA, General Incorporated Association two business days prior to the interest payment date.

The base rate will be reviewed on every payment date; provided, however, that when the calculation period is less than three months, the base rate will be the base rate corresponding to the period calculated based on the method provided in the agreements.

5. If certain requirements including our advance written notice are met during the period between the date of executions of the Debt Financing and the repayment dates indicated above, each of the borrowings is repayable either in whole or in part prior to the maturity date.

(2) Reason for conducting the Debt Financing

The proceeds from the Debt Financing will be used to fund part of acquisition prices and related expenses for the acquisition of shares issued by overseas real estate holding corporation as defined in the Article 221 - 2, Item 1 of the Order for Enforcement of the Investment Trust and Investment Corporations Act in the “Notice Concerning the Acquisition of Shares in an Overseas Real Estate Holding Corporation and Leases of Overseas Properties” announced by us as of April 25, 2016.

In addition, overseas real estate holding corporation is to acquire “AEON MALL Seremban 2” announced in the Notice above, once payment is made from the Investment Corporation. We will announce separately once acquisition of “AEON MALL Seremban 2” is completed by an overseas real estate holding corporation.

(3) Total amount to be procured, use of proceeds and anticipated disbursement date of the proceeds

- (a) Total amount to be procured  
¥3.0 billion in total (scheduled)

- (b) Specific use of proceeds

The proceeds from the Debt Financing will be used as hand reserves in order to make payment as of September 29, 2016, for part of acquisition prices and related expenses for the acquisition of shares issued by overseas real estate holding corporation as defined in the Article 221 - 2, Item 1 of the Order for Enforcement of the Investment Trust and Investment Corporations Act mentioned in (2) above.

- (c) Anticipated disbursement date  
September 30, 2016

(4) Status of balance of borrowings and other interest-bearing debts after the Debt Financing

(Units: millions of yen)

	Before the Debt Financing	After the Debt Financing	Change
Short-term borrowings (Note 1)	—	—	—
Long-term borrowings (Note 2)	114,300	117,300	3,000
Total borrowings	114,300	117,300	3,000
Investment corporation bonds	2,000	2,000	—
Total of borrowings and investment corporation bonds	116,300	119,300	3,000
Other interest-bearing debts	—	—	—
Total interest-bearing debts	116,300	119,300	3,000

(Notes)

1. Short-term borrowings are borrowings with a maturity of one year or less.



2. Long-term borrowings are borrowings with a maturity of more than one year and include long-term borrowings due for repayment within one year.

2. Additional items required to ensure appropriate understanding and judgment by Investors about the information contained herein:

Regarding investment risks concerning repayment and other risks associated with the Debt Financing, there are no significant changes to the disclosure in the “Securities Registration Statement for the 6<sup>th</sup> Fiscal Period Ended January 31, 2016” submitted by us on April 26, 2016.

\*The Investment Corporation’s website: <http://www.aeon-jreit.co.jp/en/>