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For Immediate Release

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Japan Real Estate Investment Corporation  
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## Announcement of Debt Financing

Japan Real Estate Investment Corporation (“JRE”) hereby announces its decision on June 13, 2017 to procure funds as follows:

### 1. Reason for the borrowing

Repayment of the existing long-term loan of ¥6 billion executed on June 15, 2012.

### 2. Details of the borrowing

#### < Long-term loan 1 >

- |                              |   |
|------------------------------|---|
| (1) Amount of loan:          | ¥2,500 million  |
| (2) Lender:                  | The Bank of Fukuoka, Ltd.   |
| (3) Interest rate:           | 0.2388% (fixed interest)  |
| (4) Start of loan period:    | June 15, 2017   |
| (5) Borrowing method:        | Loan agreement on June 13, 2017<br>Unsecured/unguaranteed loan              |
| (6) Interest payment date:   | 15th of every June and December until the principal repayment date (Note 1) |
| (7) Repayment of principal:  | Payment in full on the principal repayment date                             |
| (8) Principal repayment date | June 15, 2023 (pre-payment possible)  |

### < Long-term loan 2 >

- (1) Start of loan period: June 15, 2017  
 (2) Amount of loan: ¥3,500 million  
 (3) Lender, amount of loan and principal repayment date:

Lender	Amount of loan	Principal repayment date (pre-payment possible)
The Iyo Bank, Ltd.	¥2,500 million	June 17, 2024
The Hachijuni Bank, Ltd.	¥1,000 million	

- (4) Interest rate: 0.275% (fixed interest)  
 (5) Borrowing method: Loan agreement on June 13, 2017  
 Unsecured/unguaranteed loan  
 (6) Interest payment date: 15th of every June and December until the principal repayment date (Note 1)  
 (7) Repayment of principal: Payment in full on the principal repayment date

(Note 1) 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 debt after the debt financing

(Units: millions of yen)

	Before (Note 2)	After	Increase/Decrease
Short-term loans	38,500	38,500	±0
Current portion of long-term loans	42,000	36,000	-6,000
Long-term loans (except for current portion)	258,500	264,500	+6,000
<b>Total loans</b>	<b>339,000</b>	<b>339,000</b>	<b>±0</b>
Current portion of investment corporation bonds	0	0	±0
Investment corporation bonds (except for current portion)	30,000	30,000	±0
<b>Total investment corporation bonds</b>	<b>30,000</b>	<b>30,000</b>	<b>±0</b>
<b>Total interest-bearing debts</b>	<b>369,000</b>	<b>369,000</b>	<b>±0</b>

(Note 2) This is the balance after the borrowing announced in the release “Announcement of Debt Financing” dated June 9, 2017.

### 4. Others

Regarding loan repayment related risks, there is no important change to the “Investment risks” description in the latest securities report submitted on December 26, 2016.

This is the English translation of the announcement in Japanese dated June 13, 2017.

However, no assurance or warranties are given for the completeness or accuracy of this English translation.