

Translation of Japanese Original

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To All Concerned Parties

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(Securities Code: 8972)

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**Notice Concerning Debt Financing (Series 144) and  
the Execution of Interest Rate Swap Agreements**

Kenedix Office Investment Corporation (“the Investment Corporation”) today announced its decision to undertake debt financing (total of 7,000 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
144-A	Sumitomo Mitsui Banking Corporation	1,000 million yen	Base rate (JPY TIBOR for 1 month) + 0.42500%	September 19, 2017	September 21, 2017	March 31, 2024	Unsecured, unguaranteed • Repayment of principal in full on maturity date
144-B		1,500 million yen	Base rate (JPY TIBOR for 1 month) + 0.50000%			September 30, 2025	
144-C	Mizuho Bank, Ltd.	1,000 million yen	Base rate (JPY TIBOR for 1 month) + 0.50000%			March 31, 2027	
144-D	Development Bank of Japan Inc.	1,000 million yen	0.87250% (Fixed interest rate)			September 21, 2027	
144-E	Sumitomo Mitsui Banking Corporation	2,500 million yen	Base rate (JPY TIBOR for 1 month) + 0.60000%			September 30, 2027	

Note 1: The first interest payment for each debt financing excluding Series 144-D is due at the end of September 2017, and on the last day of every month thereafter with the principal repayment day. The first interest payment for Series 144-D is due at the end of October 2017, and on the last day of every 6 months 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 for each debt financing excluding Series 144-D shall be calculated based on Japanese Yen TIBOR for 1 month, 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 144 is to apply the fund towards the repayment of Series 75 (total of 7,000 million yen) with the principal repayment date of September 21, 2017.

## 3. Interest Rate Swap Agreement

### (1) Purpose

For a hedge against possible increases in future interest rate for each debt financing with floating interest rate.

### (2) Details of the Interest Rate Swap Agreements

Series		144-A	144-B	144-C	144-E
Counterparty		Nomura Securities Co., Ltd.			
Notional Amount		1,000 million yen	1,500 million yen	1,000 million yen	2,500 million yen
Interest Rate	Fixed interest rate for payment (Note)	0.12950%	0.17950%	0.23200%	0.25050%
	Floating interest rate for receipt	Base rate (JPY TIBOR for 1 month)			
Commencement Date		September 21, 2017			
Termination Date		March 31, 2024	September 30, 2025	March 31, 2027	September 30, 2027
Payment Date		The first payment is due at the end of September 2017, and on the last day of every month thereafter, with each termination date. (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 144-A, 144-B, 144-C and 144-E are essentially fixed at 0.55450%, 0.67950%, 0.73200% and 0.85050%, respectively.

## 4. Status of Debt Financing and Corporate Bonds after the Borrowings (as of September 21, 2017)

(Millions of yen)

Classification	Balance before the Borrowings	Balance after the Borrowings	Difference
Short-Term Borrowings (Note 1)	6,000	6,000	0
Long-Term Borrowings (Note 2)	165,800	165,800	0
Total Borrowings	171,800	171,800	0
Corporate Bonds	7,800	7,800	0
Total Borrowings and Corporate Bonds	179,600	179,600	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 of the aforementioned borrowings, there are no significant changes to the "Investment Risks" as described in the Securities Report (submitted on July 28, 2017).

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 September 19, 2017. However, no assurance or warranties are given for the completeness or accuracy of this English translation.