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For Immediate Release

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**Notice Concerning Borrowing of Funds (Determination of loan amount)
and the Conclusion of Interest Rate Swap Agreement**

NIPPON REIT Investment Corporation (“NIPPON REIT”) announces that loan amount of the following borrowing of funds (the “Borrowing”) announced in “Notice Concerning Borrowing of Funds” dated June 8, 2018 have been determined and the Interest Rate Swap Agreement concerning the part of the Borrowing has been concluded as follows.

1. Borrowing

(1) Content of the Borrowing

No	Lender	Loan amount (mn yen)	Interest rate	Fixed/ Floating	Drawdown date	Borrowing method	Repayment date	Repayment method	Security
040	MUFG Bank, Ltd.	1,500	Interest rate of base rate plus 0.40% (Note 5)	Floating	July 3, 2018	Borrowing based on the monetary loan agreement with the lender shown to the left as the lender	August 20, 2019	Lump-sum repayment on repayment date (Note 6)	Unsecured Unguaranteed
041	Loan syndicate with MUFG Bank, Ltd. as arranger (Note 1)	7,000	Interest rate of base rate plus 0.29% (Note 5)				August 22, 2022		
042	Loan syndicate with MUFG Bank, Ltd. as arranger (Note 2)	6,000	Interest rate of base rate plus 0.33% (Note 5)				August 21, 2023		
043	Loan syndicate with MUFG Bank, Ltd. as arranger (Note 3)	2,000	Interest rate of base rate plus 0.36% (Note 5)				August 20, 2024		
044	Mizuho Bank, Ltd.	1,000	Interest rate of base rate plus 0.39% (Note 5)				January 20, 2025		
045	Loan syndicate with MUFG Bank, Ltd. as arranger (Note 4)	2,500	Interest rate of base rate plus 0.42% (Note 5)				August 20, 2025		

(Note 1) The loan syndicate comprises MUFG Bank, Ltd., Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation, Resona Bank, Limited, Sumitomo Mitsui Trust Bank, Limited, Shinsei Bank, Limited, Mizuho Trust & Banking Corporation, Aozora Bank, Ltd. and The Nomura Trust and Banking Co., Ltd.

(Note 2) The loan syndicate comprises MUFG Bank, Ltd., Mizuho Bank, Ltd., Sumitomo Mitsui Banking Corporation, Resona Bank, Limited, Sumitomo Mitsui Trust Bank, Limited, Shinsei Bank, Limited, and Mizuho Trust & Banking Corporation.

(Note 3) The loan syndicate comprises MUFG Bank, Ltd., Sumitomo Mitsui Banking Corporation, Resona Bank,

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Limited, Sumitomo Mitsui Trust Bank, Limited, Shinsei Bank, Limited, and Mizuho Trust & Banking Corporation.

(Note 4) The loan syndicate comprises MUFG Bank, Ltd., Sumitomo Mitsui Banking Corporation, Resona Bank, Limited, Sumitomo Mitsui Trust Bank, Limited, and Development Bank of Japan Inc.

(Note 5) The first interest payment date shall be July 20, 2018, and the subsequent interest payment date shall be the 20th day of every month (if the date is not a business day, then it shall be the next business day.) and the principal repayment date. The base rate applicable to the interest payable on an interest payment date shall be JBA one-month Japanese Yen TIBOR two business days prior to the interest payment date immediately preceding the respective interest payment date. In the event that the interest calculation period is more than one month or less than one month, the base rate corresponding to the interest calculation period shall be calculated using the method stipulated in the loan agreement. Please check the website of JBA TIBOR Administration (<http://www.jbatibor.or.jp/english/>) for changes in the base rate JBA one-month Japanese Yen TIBOR. In addition, the interest rate payable for loans other than Loan No.040 is to be fixed by the Swap Agreement. For details, please refer to “2. Interest Rate Swap Agreement” below.

(Note 6) NIPPON REIT can make early repayment of the loan, in whole or in part, if it gives prior written notice and other certain terms and conditions are met by the repayment date.

(2) Status of loans, etc. after the Borrowing (Note1)

(Unit: million yen)

	Before Drawdown	After Drawdown	Increase (Decrease)
Short-term loans	2,600	—	▲2,600
Long-term loans	101,570	124,170	22,600
Total loans	104,170	124,170	20,000
Investment corporation bonds	2,000	2,000	—
Total interest-bearing liabilities	106,170	126,170	20,000

(Note 1) Indicates the status of loans after the Borrowing and the borrowing as announced in the press release “Notice Concerning Borrowing of Funds” dated March 28, 2018.

(Note 2) “Short-term loans” refer to borrowings for a borrowing period of one year or less and “long term loans” refer to borrowings for a borrowing period of more than one year. Long-term loans include the current portion of long-term loans (loans due for repayment in one year or less). Amounts are rounded down to the nearest million yen.

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2. Interest Rate Swap Agreement

(1) Reason for the conclusion of the Interest Rate Swap Agreement

To convert the interest rate payable for the Borrowing into a fixed rate and hedge the risks against interest rate fluctuations.

(2) Content of the Interest Rate Swap Agreement

Counterparty	National Amount (mn yen)	Interest (Note 1)		Commencement Date	Termination Date	Corresponding Loan	
		Fixed interest rate payable	Floating interest rate receivable			No.	Loan amount (mn yen)
Morgan Stanley MUFG Securities Co., Ltd.	7,000	0.1218% (Note 2)	JBA Japanese Yen TIBOR applicable to the respective interest calculation period of the Borrowing(No.041)	July 3, 2018	August 22, 2022	041	7,000
Morgan Stanley MUFG Securities Co., Ltd.	6,000	0.1470% (Note 3)	JBA Japanese Yen TIBOR applicable to the respective interest calculation period of the Borrowing(No.042)		August 21, 2023	042	6,000
Morgan Stanley MUFG Securities Co., Ltd.	2,000	0.1784% (Note 4)	JBA Japanese Yen TIBOR applicable to the respective interest calculation period of the Borrowing(No.043)		August 20, 2024	043	2,000
Nomura Securities Co., Ltd.	1,000	0.1906% (Note 5)	JBA Japanese Yen TIBOR applicable to the respective interest calculation period of the Borrowing(No.044)		January 20, 2025	044	1,000
Nomura Securities Co., Ltd.	2,500	0.2136% (Note 6)	JBA Japanese Yen TIBOR applicable to the respective interest calculation period of the Borrowing(No.045)		August 20, 2025	045	2,500

(Note1) Interest payment date shall be the 20th day of every month until the termination date and the termination date (if the date is not a business day, then it shall be the next business day.).

(Note 2) The interest rate payable for the Borrowing (No.041) will be substantively fixed at 0.4118% by the Swap Agreement.

(Note 3) The interest rate payable for the Borrowing (No.042) will be substantively fixed at 0.4770% by the Swap Agreement.

(Note 4) The interest rate payable for the Borrowing (No.043) will be substantively fixed at 0.5384% by the Swap Agreement.

(Note 5) The interest rate payable for the Borrowing (No.044) will be substantively fixed at 0.5806% by the Swap Agreement.

(Note 6) The interest rate payable for the Borrowing (No.045) will be substantively fixed at 0.6336% by the Swap Agreement.

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3. Other

Concerning the risks associated with repayment, etc. of the Borrowing, there is no change from the content of “Part II. Reference Information; Section 2. Complementary Information regarding Reference Documents; 4. Investment Risks” of the securities registration statement each submitted on June 8, 2018.

*NIPPON REIT Investment Corporation website: <http://www.nippon-reit.com/en/>

This notice is the English translation of the original Japanese document and is provided solely for information purposes. There is no assurance as to the accuracy of the English translation. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail.

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