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For Immediate Release

Real Estate Investment Trust Securities Issuer:
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Notice Concerning Borrowing of Funds

NIPPON REIT Investment Corporation (“NIPPON REIT”) announces that it has decided on the following borrowing of funds (the “Borrowing”) today.

1. Content of the Borrowing

No.	Lender	Scheduled loan amount (mn yen) (Note 1)	Interest rate	Fixed/ Floating	Drawdown date	Borrowing method	Repayment date	Repayment method	Security
040	Loan syndicate with MUFG Bank, Ltd. as arranger	1,500	Interest rate of base rate plus 0.40% (Note 2)	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 3)	Unsecured Unguaranteed
041		7,000	Interest rate of base rate plus 0.29% (Note 2)				August 22, 2022		
042		6,000	Interest rate of base rate plus 0.33% (Note 2)				August 21, 2023		
043		2,000	Interest rate of base rate plus 0.36% (Note 2)				August 20, 2024		
044		1,000	Interest rate of base rate plus 0.39% (Note 2)				January 20, 2025		
045		2,500	Interest rate of base rate plus 0.42% (Note 2)				August 20, 2025		

(Note 1) The scheduled loan amount may change by the eventual execution of the borrowing, in consideration of the amount of proceeds from the Domestic Public Offering and International Offering as described in the press release “Notice Concerning Issuance of New Investment Units and Secondary Offering of Investment Units” dated today.

(Note 2) 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

Disclaimer: This press release is a document for making a public announcement concerning borrowing of funds of NIPPON REIT, and has not been prepared for the purpose of solicitation for investment. Investors should ensure that they read the prospectus for the issuance of new investment units and secondary offering of investment units, as well as any amendments thereto (if any), prepared by NIPPON REIT before they invest. Investors who make any investment do so at their own risk and discretion.

TIBOR. In addition, the interest rate payable of the loans excluding loan no.040 will be substantively fixed with the interest rate swap agreement.

(Note 3) 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.

(Note 4) The execution of the Borrowing is subject to the fulfillment of all of the preconditions for lending and the completion of procedure of the respective lenders.

2. Reason for the Borrowing

The Borrowing will be applied toward the acquisition of the real estate and trust beneficiary rights in real estate pertaining to 21 domestic properties (the “To-be-Acquired Assets”) (the total of anticipated acquisition prices: 40,202 million yen) scheduled to be acquired by NIPPON REIT as stated in “Notice Concerning Acquisition and Leasing of Assets” dated today, as well as a portion of the related expenses.

3. Amount, use and scheduled outlay of funds to be procured

(1) Amount of funds to be procured

20,000 million yen (Scheduled)

(2) Specific use of funds to be procured

Use as the abovementioned funds for acquisition of To-be-Acquired Assets, as well as a portion of the related expenses.

(3) Scheduled outlay

July 3, 2018 (Scheduled)

4. Status of loans, etc. after the Borrowing (Note 1)

(Unit: million yen)

	Before Drawdown	After Drawdown (Scheduled)	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.

5. Other matters necessary for investors’ appropriate understanding/judgment of the concerned information

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.

*This material is distributed to the press club of the Tokyo Stock Exchange (Kabuto Club), the press club of the Ministry of Land, Infrastructure, Transport and Tourism, and the press club for construction trade publications of the Ministry of Land, Infrastructure, Transport and Tourism.

*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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