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For Immediate Release

Real Estate Investment Trust Securities Issuer:
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Notice Concerning Early Loan Repayment

NIPPON REIT Investment Corporation (“NIPPON REIT”) announces the following early loan repayment (the “Early Repayment”) was decided today.

1. Content of the Early Repayment

No.	Lender	Balance before repayment	Amount of repayment	Scheduled balance after repayment	Scheduled date of repayment	Drawdown date	Repayment date
040	MUFG Bank, Ltd.	1,500 mn yen	1,500 mn yen	-	Dec. 7, 2018	Jul. 3, 2018	Aug. 20, 2019

(Note1) NIPPON REIT will pay a break funding cost as early repayment expenses upon the Early Repayment.

“Break funding cost” is, in cases where early loan repayment is made and the reinvestment rate falls below the base rate, the amount arrived at when (1) the principal amount for which early repayment is to be made on the concerned early repayment date is multiplied by (2) the difference between the base rate and reinvestment rate, and calculated on a per diem basis based on 365 days a year for (3) the actual number of days in the period from the concerned early repayment date to the next interest payment date.

“Base rate” is the JBA one-month Japanese Yen TIBOR two business days prior to proximate interest payment date of each interest payment date. The rate applied to calculation of cost of the partial early repayment (Break funding cost) is 0.06273%.

“Reinvestment rate” is the rate reasonably determined on the assumption that the concerned repayment amount will be reinvested on the Tokyo interbank market, etc. from the date of repayment to the next interest payment date.

(Note2) Please refer to the “Notice Concerning Borrowing of Funds (Determination of loan amount) and the Conclusion of Interest Rate Swap Agreement” dated June, 29 2018 for loan details.

2. Funds for repayment

All of the net proceeds from the issuance of NIPPON REIT 3rd unsecured bonds (with pari passu clause among specified investment corporation bonds) which will be paid on November 30, 2018, and cash on hand will be applied. For further details, please refer to the “Notice Concerning Issuance of Investment Corporation Bonds” announced today.

3. Status of loans, etc. after the early repayment(Note1)

(Unit: million yen)

	Before repayment	After repayment	Increase (Decrease)
Short-term loans(Note2)	—	—	—
Long-term loans(Note2)	124,170	122,670	(1,500)
Total loans	124,170	122,670	(1,500)
Investment corporation bonds	2,000	3,500	1,500
Total interest-bearing liabilities	126,170	126,170	—

(Note1) Status after execution of issuance of investment corporation bonds that NIPPON REIT announces in “Notice Concerning Issuance of Investment Corporation Bonds” dated today are stated.

(Note2) Short-term loans refer to loans with the period from the drawdown date to the repayment date being one year or less, and Long-term loans refer to loans with the period from the drawdown date to the repayment date being more than one year. Long-term loans include also the current portion of long-term loans (loans due for repayment in one year or less).

4. Future outlook

There is no change in the outlook of the management status for Fiscal Period Ending December 2018 (from July 1, 2018 to December 31, 2018) and Fiscal Period Ending June 2019 (from January 1, 2019 to June 30, 2019) from that announced in the “Summary of Financial Results for the Fiscal Period Ended June 30, 2018 (REIT)” dated August 16, 2018 because the impact of the Early Repayment will be minimal.

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

Concerning the risks associated with the Early Repayment, etc., there is no change from the content of “Part I. Fund Information; Section 1. Status of Fund; 3. Investment Risks” of the securities report submitted on September 28, 2018.

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

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