

June 15, 2021

To all concerned parties:

Investment Corporation

Japan Metropolitan Fund Investment Corporation

(Tokyo Stock Exchange Company Code: 8953)

Representative: Shuichi Namba, Executive Director

URL: <https://www.jmf-reit.com/english/>

Asset Management Company

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Notice Concerning Issuance of Investment Corporation Bonds (Green Bonds) and Early Repayment of Borrowings

Japan Metropolitan Fund Investment Corporation (“JMF”) announces that it has decided to issue its 1st Unsecured Investment Corporation Bonds, or the 1st JMF Green Bonds (Special pari passu conditions among specified investment corporation bonds) (hereinafter called as the “1st Bonds”), in accordance with the Amendments to Shelf Registration Statement submitted on April 2, 2021, and to repay long-term borrowing prior to maturity, as described below.

The 1st Bonds are the 3rd issuance of JMF Green Bonds since the issuance of the first Green Bonds ^(Note1) as a J-REIT announced on May 11, 2018, and are the first issuance after the merger with MCUBS MidCity Investment Corporation.

(Note1) Green Bonds are a type of bond instrument issued by corporations, investment funds and municipalities to finance eligible “green projects” (environmentally-friendly investment projects). The issuance of Green Bonds must adhere to International Capital Market Association’s (ICMA) Green Bond Principles. For more information on Green Bond Principles, refer to ICMA’s website.
<https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>

1. Issuance of the Investment Corporation Bonds (Green Bonds)

(1) Investment corporation bonds to be issued

(1) Name	Japan Metropolitan Fund Investment Corporation The 1st Unsecured Investment Corporation Bonds, or the 1st JMF Green Bonds (Special pari passu conditions among specified investment corporation bonds)
(2) Total amount to be issued	8,500 million yen
(3) Form of bond certificate	Subject to the provisions of the Act on Book-Entry Transfer of Company Bonds, Shares, etc., JMF will not issue investment corporation bond certificates for the 1st Bonds.
(4) Total amount to be paid in or minimum amount	100 yen per 100 yen of each Bond
(5) Redemption price	100 yen per 100 yen of each Bond
(6) Interest rate	0.450% per annum
(7) Denomination price	100 million yen
(8) Offering method	Public offering
(9) Subscription date	June 15, 2021
(10) Payment date	June 25, 2021
(11) Collateral	The 1st Bonds are neither secured by mortgage nor guaranteed, and no asset is particularly reserved as security for the 1st Bonds.
(12) Redemption date and method	The total amount of the 1st Bonds will be redeemed on June 25, 2031.
(13) Interest payment date	June 25 and December 25 every year
(14) Financial covenant	Negative pledge clause is attached.
(15) Rating	Japan Credit Rating Agency, Ltd. (JCR) : AA
(16) Fiscal agent, issuing agent and payment agent	MUFG Bank, Ltd.
(17) Underwriter	Mizuho Securities Co., Ltd. Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. SMBC Nikko Securities Inc.

JMF issues the 1st Bonds based on “JMF’s Green Bond Framework”^(Note1).

JMF has obtained a second-party opinion^(Note2) from Sustainalytics, an ESG rating agency, for the eligibility of Green Bond proceeds on April 2021.

(Note1) Refer to JMF’s website for the framework of Green Bond.

https://jmf-reit_sustainability.disclosure.site/en/themes/135/

(Note2) Refer to JMF’s website for the second-party opinion.

https://jmf-reit_sustainability.disclosure.site/data/themes_135/sustain_secop202105_en.pdf

(2) Reasons for the issuance

JMF decided to issue the 1st Bonds with the background of further strengthening JMF’s sustainability activities, and enhancement of financing methods through expansion of investor base of investment corporation bonds.

(3) Amount of funds to be raised, use of proceeds and scheduled timing of expenditure

(a) Amount of funds to be raised (after deducting issuance related expenses from the payment amount and rounding down to the nearest million) (estimated net proceeds)

8,446 million yen

(b) Specific use of proceeds and scheduled timing of expenditure

JMF will use the proceeds to repay the long-term borrowings described in “3. Early Repayment of Borrowings (1) Description of debt to be early repaid” below on June 30, 2021 before the repayment date.

(4) Investors who declared investment in the 1st Bonds

Listed below are investors who declared investment in the 1st Bonds (the 1st JMF Green Bonds) by today.

- Aoi Mori Shinkin Bank
- ASAHIKAWA SHINKIN BANK
- Credit Guarantee Corporation of Osaka
- DaitokyoShinkumi Credit Cooperative
- Hyogo Shinkin Bank
- Iwateken ishi shinyoukumiai
- KANONJI SHINKIN BANK
- Mitsubishi UFJ Trust and Banking Corporation
- Mutual Aid Foundation for Japan Postal Group
- Nissay Asset Management Corporation
- North Pacific Bank, Ltd.
- Sawayaka Shinkin Bank
- Shizuoka Yaizu Shinkin Bank
- Sumitomo Mitsui Trust Asset Management Co., Ltd.
- Takaoka Shinkin Bank
- The 77 Bank, Ltd.
- The Choshi Shinkin Bank
- The Dai-ichi Life Insurance Company, Limited
- The Kita Osaka Shinkin Bank
- The SAGAMI Shinkin Bank
- The Tsuruga Shinkin Bank
- The Yamanashi Chuo Bank, Ltd.

(Note) In alphabetical order

2. Our Actions Regarding Sustainability

JMF and its asset manager, MC-UBS, share the view on sustainability and continue to make efforts regarding ESG (Environment, Society, and Governance). As part of its efforts, JMF has issued the Green Bonds, the first such issuance from a J-REIT in May 2018. Through the continuous issuance of the Green Bond, JMF conducts investment contributing to the implementation and realization of a sustainable environment and society.

JMF and MC-UBS basic policy on sustainability

MC-UBS, under the slogan of “Think bold for brighter tomorrow”, will continue to implement measures for sustainability and make contributions to society as a whole. Please refer to the ESG Report on MC-

UBS's Sustainability page for information on JMF and MC-UBS actions on ESG.

Sustainability: https://mc-ubs_sustainability.disclosure.site/en/

[Reference Information] Environmental certifications of the properties

JMF acquired environmental certification for its portfolio through sustainability activities. Please refer to the site below for information on environmental certifications acquired by JMF.

Environmental Certifications: https://jmf-reit_sustainability.disclosure.site/en/themes/127/

3. Early Repayment of Borrowings

(1) Description of debt to be early repaid

Lender	Loan Amount	Repayment amount	Loan Amount After Repayment	Loan Term	Interest Rate (Note)	Borrowing Date	Repayment Date	Early Repayment Borrowing Date	Method of Borrowing, Repayment of Principal
Mizuho Bank, Ltd. Development Bank of Japan Inc., MUFG Bank, Ltd.	¥2,500 million	¥2,500 million	¥0	1.0 year	Floating Base interest rate (JBA 1-month yen TIBOR) + 0.120%	January 29, 2021	January 31, 2022	June 30, 2021 (Anticipated)	Unsecured and unguaranteed, lump sum repayment
MUFG Bank, Ltd.	¥4,500 million	¥4,500 million	¥0	2.0 years	Floating Base interest rate (JBA 1-month yen TIBOR) + 0.150%	February 26, 2021	February 28, 2023	June 30, 2021 (Anticipated)	Unsecured and unguaranteed, lump sum repayment
Mizuho Bank, Ltd.	¥1,500 million	¥1,500 million	¥0	1.5 years	Floating Base interest rate (JBA 1-month yen TIBOR) + 0.150%	May 21, 2021	November 30, 2022	June 30, 2021 (Anticipated)	Unsecured and unguaranteed, lump sum repayment

(Note) For the Japanese Yen TIBOR, please refer to JBA TIBOR administration's website (<http://www.jbatibor.or.jp/english/rate/>).

(2) Funds for repayment

JMF will repay the debt with funds raised by the 1st Bonds described in "1. Issuance of the Investment Corporation Bonds (Green Bonds) (1) Investment corporation bonds to be issued" above and cash on hand.

4. Status of Interest-Bearing Debt After Refinance (as of June 30, 2021 (Anticipated))

(Yen in millions)

	Before	After	Variation
Short-Term Borrowings	0	0	0
Total Short-Term Interest-Bearing Debt	0	0	0
Long-Term Borrowings (Note)	487,675	479,175	-8,500
Corporate Bonds	51,000	59,500	+8,500
(Green Bonds)	(15,000)	(23,500)	(+8,500)
Total Long-Term Interest-Bearing Debt	538,675	538,675	0
Total Borrowings and Corporate Bonds	538,675	538,675	0

(Note) Long-term borrowing amount includes the current portion of long-term borrowings.

5. Future Outlook

There will be minimal impact on our operating results for the August 2021 fiscal period (from March 1, 2021 to August 31, 2021) and February 2022 fiscal period (from September 1, 2021 to February 28, 2022); thus, we have made no revision to our forecasts.