

July 30, 2021

For Immediate Release

Real Estate Investment Trust Securities Issuer:
NIPPON REIT Investment Corporation
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Toshio Sugita
Executive Officer
(Securities Code: 3296)

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**Notice Concerning Issuance of Investment Corporation Bonds (Green Bonds)
and the Change of Borrowing of Fund**

NIPPON REIT Investment Corporation ("NIPPON REIT") announces that it has decided to issue investment corporation bonds (Green Bonds) (the "Issuance") today and not to execute a part of borrowing that was announced in the "Notice Concerning Borrowing of Funds" released on March 26, 2021 due to the Issuance.

1. Summary of the Green Bonds

- | | |
|--|---|
| (1) Name | NIPPON REIT 5th unsecured bonds (with pari passu conditions among specified investment corporation bonds) (Green Bonds) (the "Green Bonds") |
| (2) Total issue amount | 2 billion yen |
| (3) Form of bond certificate | The Bonds Transfer Act is applicable to the Green Bonds, thus investment corporation bond certificates will not be issued. |
| (4) Issue price | ¥100 per ¥100 of each bond |
| (5) Redemption price | ¥100 per ¥100 of each bond |
| (6) Interest rate | 0.670% per annum |
| (7) Denomination price | 0.1 billion yen |
| (8) Offering method | Public offering |
| (9) Offering period | July 30, 2021 |
| (10) Payment date | August 6, 2021 |
| (11) Collateral/Guarantee | Neither collateral nor guarantee is applicable, and no assets are specifically reserved as collateral for the Green Bonds. |
| (12) Redemption method and date | August 6, 2031
The Green Bonds may be purchased and cancelled at any time after the payment date, except for the case of service regulations and other rules that the statutory or depository otherwise stipulates.
If the maturity date of the Green Bonds falls on the bank holiday, the payment will be moved forward to the previous bank business day. |
| (13) Interest payment dates | February 6 and August 6 every year |
| (14) Rating | A+ (Japan Credit Rating Agency, Ltd.) |
| (15) Financial covenants | Negative pledge among unsecured bonds |
| (16) Depository | Japan Securities Depository Center Incorporated |
| (17) Fiscal agent, issuing agent, and paying agent | MUFG Bank, Ltd. |

(18) Underwriting securities companies

Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
Mizuho Securities Co., Ltd.
SMBC Nikko Securities Inc.

2. Reason for bonds issuance

NIPPON REIT intends to disperse further its debt maturity, make longer average borrowing period while keeping level of borrowing cost and diverse financing method through the issuance of the Green Bonds by expanding the group of investors interested in ESG investment and financing.

The Green Bonds will be issued as green bonds based on the green finance framework which was announced in the “Notice Concerning Submission of Revised Shelf Registration Statement for Issuance of Green Bonds” released on June 29, 2021, for eligibility of the green finance framework, NIPPON REIT has been assigned “Green 1 (F),” the highest evaluation grade in the JCR Green Finance Framework Evaluation by Japan Credit Rating Agency, Ltd.. For further details of the framework please refer to the news release above mentioned.

3. Total amount to be raised, use of funds and scheduled date of disbursement

(1) Total amount to be raised (approximate net balance)

1,981 million yen in total

(2) Specific use of funds and scheduled date of disbursement

Use as the funds for partial repayment of borrowings outstanding to acquire “Pigeon Building” “Towa Higashi-Gotanda Building” and “FORECAST Takadanobaba” which are eligible green assets in the green finance framework due on August 20, 2021.

4. Investors who declared investment in the Green Bonds

Listed below in alphabetical order are investors to date who declared their intention of investment in the Green Bonds.

- THE AWAJI SHINKIN BANK
- Iizuka Shinkin Bank
- The Ibaraki-ken Credit Cooperative
- KANONJI SHINKIN BANK
- KIRYU SHINKIN BANK
- The SAGAMI Shinkin Bank
- SHIZUOKA YAIZU SHINKIN BANK
- The 77 Bank, Ltd.
- Seinan Gakuin Educational Foundation
- The TAKAMATSU SHINKIN BANK
- Danyo Shinkumi Bank
- The Choshi Shinkin Bank
- Nagasaki-ken Medical Credit Cooperative
- Nishihyogo Shinkin Bank
- Numazu Shinkin Bank
- Hyogo Shinkin Bank
- THE FUJI SHINKIN BANK
- The Yamanashi Chuo Bank, Ltd.
- Mutual Aid Foundation for Japan Postal Group

5. Change of borrowing of fund

NIPPON REIT decided not to execute a borrowing stated below that is a part of borrowing which was announced in the “Notice Concerning Borrowing of Funds” released on March 26, 2021 due to the Issuance.

No.	Lender	Loan amount (mn yen)	Interest rate	Fixed/Floating	Drawdown date	Borrowing method	Repayment date	Repayment method	Security
071	MUFG Bank, LTD.	2,000	Interest rate of base rate plus 0.4000%	Floating	August 20, 2021	Borrowing based on the monetary loan agreement with the lender shown to the left as the loaner	August 22, 2022	Lump-sum repayment on repayment date (Note 11)	Unsecured Unguaranteed

6. Status of loans, etc. after the Issuance (Note1)

(Unit : million yen)

		Before Drawdown	After Drawdown	Increase (Decrease)
	Short-term loans(Note2)	—	—	—
	Long-term loans(Note2)	128,120	126,120	(2,000)
	Total loans	128,120	126,120	(2,000)
	Investment corporation bonds	4,500	6,500	2,000
	Total interest-bearing liabilities	132,620	132,620	—

(Note1) Status after application of the Green Bonds for the use stated in 3. (2) on August 20, 2021.

(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).

7. Future outlook

The forecast of the management status for fiscal period ending June 2021 (from January 1, 2021 to June 30, 2021) and fiscal period ending December 2021 (from July 1, 2021 to December 31, 2021) announced in the “Summary of Financial Results for the Fiscal Period Ended December 31, 2020 (REIT)” dated February 18, 2021 remains unchanged because the impact will be minimal.

8. Other matters necessary for investors' appropriate understanding/judgment of the concerned Information

Concerning the risks associated with the Issuance, there is no change from the content of “Part I. Fund Information; Section 1. Status of Fund; 3. Investment Risks” of the Securities Reports submitted on March 26, 2021.

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

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