

July 14, 2014

To All Concerned Parties

Name of REIT Issuer:
Nippon Building Fund, Inc.
Tsutomu Nishikawa, Executive Director
(TSE Code : 8951)
Contact:
Asset Management Company
Nippon Building Fund Management, Ltd.
Kenichi Tanaka, President and CEO
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Notice Concerning Debt Financing

Nippon Building Fund, Inc. ("NBF") hereby provides notice that the following was decided as of July 14, 2014 concerning a long term borrowing:

Description

1. Long-term Borrowing

Lender	Amount Borrowed	Interest Rate	Anticipated Date of Implementation	Methods of Borrowing, Repayment, Security and Guarantee etc.	Repayment Due Date
Sumitomo Life Insurance Company	5 Billion Yen	0.5225%	July 16, 2014	Unsecured, unguaranteed, repayable in one lump sum on repayment due date	July 16, 2021

2. Amount, Use and Expected Date of Expenditure of Proceeds

- (1) Amount to be borrowed
5 billion yen
- (2) Specific use and expected date of expenditure of proceeds
Refinancing of long-term borrowing
- (3) Expected date of expenditure
July, 2014



3. Status of Borrowings etc. following the Debt Financing

(1) Balance of interest-bearing debt following the Debt Financing

(Unit: million Yen)

	Prior to Debt Financing	After Debt Financing	Increase / Decrease
Short-term borrowings	16,000	16,000	0
Long-term borrowings	372,500	372,500	0
(portion of the above with repayment due within one year)	24,750	19,750	(5,000)
Total borrowings	388,500	388,500	0
Bonds	60,000	60,000	0
(portion of the above with redemption due within one year)	10,000	10,000	0
Total interest-bearing debt	448,500	448,500	0
Total long-term fixed interest-bearing debt	432,500	432,500	0

(2) Ratios of interest-bearing debt etc. following the Debt Financing

	Prior to Debt Financing (%)	After Debt Financing (%)	Increase / Decrease(%)
Ratio of interest-bearing debt	46.4	46.4	0
Long-term fixed interest- bearing debt ratio	96.4	96.4	0

- (*1) The calculation of ratio of interest-bearing debt is derived through use of the following method, and interest-bearing debt includes bonds in addition to borrowings.

$$\text{Ratio of interest-bearing debt} = \frac{\text{total interest-bearing debt}}{(\text{total interest-bearing debt} + \text{unitholders' capital})} \times 100$$
- (*2) Long-term fixed interest-bearing debt ratio = $\frac{\text{total long-term fixed interest-bearing debt}}{\text{total interest-bearing debt}} \times 100$.
- (*3) Each ratio is calculated to the second decimal point with fractions less than .05 rounded downward and fractions of .05 and above rounded upward.

4. Other Matters Required for Investors to Appropriately Understand and Evaluate the Above Information

There is no change to the content of "Investment Risks" of NBF's Financial Report filed as of March 28, 2014 with respect to the risks involved in repayment etc. of the current debt financing.

End

This English language notice is a translation of the Japanese language notice dated July 14, 2014 and was prepared solely for the convenience of, and reference by, overseas investors. Neither NBF nor Nippon Building Fund Management, Ltd. makes any warranties as to its accuracy or completeness.