

Notice Concerning New Debt Financing

Japan Retail Fund Investment Corporation (“JRF”) announced that it has decided today to obtain debt financing as described below.

1. Description of new debt

	Lender	Amount outstanding	Debt term	Interest rate (Note 1,2)		Anticipated Borrowing date	Method of borrowing, repayment of principal	Repayment date
Loan 1	The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation and Sumitomo Mitsui Trust Bank, Limited	¥1 billion	10.1 Years	Fixed	Base interest rate (JBA 3-month yen TIBOR) + 0.35%	March 1, 2016	Unsecured and unguaranteed, lump sum repayment	March 31, 2026
Loan 2	Mizuho Bank, Ltd.	¥2 billion	9.1 Years	Fixed	Base interest rate (JBA 3-month yen TIBOR) + 0.30%	March 1, 2016		March 31, 2025
Loan 3	The Nishi-Nippon City Bank, Ltd.	¥1 billion	9.0 Years	Fixed	Base interest rate (JBA 3-month yen TIBOR) + 0.30%	March 18, 2016		March 31, 2025
Loan 4	Mizuho Trust & Banking Co., Ltd.	¥1 billion	9.0 Years	Fixed	Base interest rate (JBA 3-month yen TIBOR) + 0.30%	March 18, 2016		March 31, 2025
Loan 5	Shinsei Bank, Ltd.	¥1.5 billion	8.1 Years	Fixed	Base interest rate (JBA 3-month yen TIBOR) + 0.225%	March 1, 2016		March 29, 2024
Loan 6	The Chugoku Bank, Ltd.	¥1 billion	8.1 Years	Fixed	Base interest rate (JBA 3-month yen TIBOR) + 0.225%	March 1, 2016		March 29, 2024
Loan 7	The Norinchukin Bank	¥1.5 billion	8.1 Years	Fixed	Base interest rate (JBA 3-month yen TIBOR) + 0.225%	March 1, 2016		March 29, 2024
Loan 8	Shinkin Central Bank	¥1 billion	8.1 Years	Fixed	(To be determined) (Note 3)	March 1, 2016		March 29, 2024
Loan 9	Development Bank of Japan Inc.	¥2.5 billion	2.1 Years	floating	Base interest rate (JBA 1-month yen TIBOR) + 0.15%	March 1, 2016		March 31, 2018
Loan 10	The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation and Sumitomo Mitsui Trust Bank, Limited	¥10 billion	1.4 Years	floating	Base interest rate (JBA 1-month yen TIBOR) + 0.15%	March 1, 2016		July 31, 2017
Loan 11	Sumitomo Mitsui Banking Corporation	¥2.5 billion	0.9 Years	floating	Base interest rate (JBA 1-month yen TIBOR) + 0.14%	March 1, 2016		January 31, 2017
	Total / Average remaining borrowing period	¥25 billion	4.3 Years (Note 6)					

- (Note.1) Regarding Loan 1, 2, 3, 4, 5, 6, 7 and 8, interest payment dates are the end of March, June, September and December of every year and on the principal repayment date (or immediately preceding business day if the date is not a business day). Regarding Loan 9, 10 and 11, interest payment dates are the end of every month and on the principal repayment date (or immediately preceding business day if the date is not a business day).
- (Note.2) Regarding Loan 1, 2, 3, 4, 5, 6 and 7, base interest rate applied to an interest calculation period is Japanese yen TIBOR for 3-month which JBA TIBOR Administration (JBATA) releases two business days before the interest payment date thereof. If the calculation period is less than three months, the base interest rate is calculated by the method stipulated in the contract. Regarding Loan 9, 10 and 11, base interest rate applied to an interest calculation period is Japanese yen TIBOR for 1-month, which JBA TIBOR Administration (JBATA) releases two business days before the interest payment date thereof. If the calculation period is less than one month, the base interest rate is calculated by the method stipulated in the contract.
- (Note.3) The interest rate will be determined on or before the anticipated borrowing date based on the contract dated February 25, 2016 concerning this borrowing. We will make an announcement about the interest when it is determined.
- (Note.4) You can find JBA Japanese yen TIBOR on the JBATA website (<http://www.jbatibor.or.jp/english/rate/>).
- (Note.5) For Loan 1, 2, 3, 4, 5, 6 and 7, although borrowing contracts are based on variable interest rates, we intend to enter into interest rate swap agreements to fix the interest rates on or before the anticipated borrowing dates.
- (Note.6) Average remaining borrowing period is calculated using the weighted average of the borrowing amounts.

2. Reason for new debt financing

To be allocated to a portion of the acquisition costs for three new properties, which was announced in the press release titled “Notice Concerning Acquisition of G-Bldg. Kyoto Kawaramachi 01” dated January 25, 2016 and “Notice Concerning Acquisition of G-Bldg. Ginza Chuo-dori 01 and G-Bldg. Kichijoji 02” dated February 24, 2016

3. Status of interest-bearing debt after financing

(Yen in millions)

	Before	After	Variation
Short-term borrowings	1,000	3,500	+2,500
Total short-term interest-bearing debt	1,000	3,500	+2,500
Long-term borrowings	311,091	333,591	+22,500
Corporate bond	37,500	37,500	0
Total long-term interest-bearing debt	348,591	371,091	+22,500
Total borrowings and corporate bonds	349,591	374,591	+25,000

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

About JRF: JRF is the third listed Japanese Real Estate Investment Trust (“J-REIT”) and the first J-REIT to focus exclusively on retail properties. Please refer to our website at <http://www.jrf-reit.com/english/index.html> for further details.

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This translation is for informational purposes only, and the Japanese language release should be referred to as the original.