



May 30, 2016

To All Concerned Parties

Name of REIT Issuer:
Nippon Building Fund, Inc.
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(TSE Code : 8951)
Contact:
Asset Management Company
Nippon Building Fund Management, Ltd.
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Notice Concerning Debt Financing

Nippon Building Fund, Inc. ("NBF") hereby provides notice that the following was decided as of May 30, 2016 concerning long-term borrowings:

Description

1. Long-term Borrowings

(1)Fixed interest rate

Lender	Amount Borrowed	Interest Rate	Expected Date of Implementation	Methods of Borrowing, Repayment, Security and Guarantee etc.	Repayment Due Date
Development Bank of Japan Inc.	5 Billion Yen	0.25000%	June 1, 2016	Unsecured, unguaranteed, repayable in one lump sum on repayment due date	June 1, 2026
Mitsubishi UFJ Trust and Banking Corporation	7 Billion Yen	0.35880%			June 1, 2028

(2)Floating interest rate

Lender	Amount Borrowed	Interest Rate	Expected Date of Implementation	Methods of Borrowing, Repayment, Security and Guarantee etc.	Repayment Due Date
Sumitomo Mitsui Banking Corporation	11 Billion Yen	0.15455% (Note)	June 1, 2016	Unsecured, unguaranteed, repayable in one lump sum on repayment due date	June 1, 2029

(Note) Base interest rate (one month Japanese Yen TIBOR as displayed on Telerate Page 17097 (including its successor pages)) + 0.12%

*The base interest rate for the applicable rate is calculated based on the one month Japanese Yen TIBOR released by the JBA TIBOR Administration (JBATA) two bank business days prior to the interest payment date (in principle, the first day of each calendar month). The JBATA one month Japanese Yen TIBOR published at JBATA web site as of May 30, 2016 was 0.03455%.

*The interest rate applicable to each interest payment will be published from time to time at NBF's website (http://www.nbf-m.com/nbf_e/ir/borrowings.html).



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

- (1) Amount to be borrowed
Total 23 billion yen
- (2) Specific use and expected date of expenditure of proceeds
To be applied to funding of acquisition of assets as announced by the "Notice of Acquisition of Assets (Ueno East Tower)" dated March 30, 2016
- (3) Expected date of expenditure
June, 2016

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	15,000	15,000	0
Long-term borrowings	357,000	380,000	23,000
(of which those subject to floating interest rates)	8,000	19,000	11,000
Bonds	40,000	40,000	0
Total interest-bearing debt	412,000	435,000	23,000
Total long-term fixed-rate debt	389,000	401,000	12,000

(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	44.2	45.6	1.4
Long-term fixed-rate debt ratio	94.4	92.2	(2.2)

(Note 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.

Ratio of interest-bearing debt = total interest-bearing debt ÷ (total interest-bearing debt + unitholders' capital) x 100

(Note 2) Long-term fixed-rate debt ratio = total long-term fixed-rate debt ÷ total interest-bearing debt x 100.

(Note 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 30, 2016 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 May 30, 2016 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.