

September 12, 2016

To All Concerned Parties

Name of REIT Issuer:
Nippon Building Fund, Inc.
Yoshiki Kageyama, Executive Director
(TSE Code : 8951)
Contact:
Asset Management Company
Nippon Building Fund Management, Ltd.
Kenichi Tanaka, President and CEO
Person to Contact:
Toshihiko Mori, General Manager
(TEL. +81-3-6259-8681)

Notice Concerning Debt Financing

Nippon Building Fund, Inc. ("NBF") hereby provides notice that the following was decided as of September 12, 2016 concerning long-term borrowings:

Description

1. Long-term Borrowings (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	0.3875%	September 14, 2016	Unsecured, unguaranteed, repayable in one lump sum on repayment due date	September 14, 2028
Shinkin Central Bank	¥5 Billion	0.2500%			September 14, 2026

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

(1) Amount to be borrowed

Total ¥10 billion

(2) Specific use of proceeds

To be applied to funding redemption of No.12 Unsecured Bonds.

(3) Expected date of expenditure

September, 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	379,750	389,750	10,000
(of which those subject to floating interest rates)	19,000	19,000	0
Bonds	45,000	35,000	(10,000)
Total interest-bearing debt	439,750	439,750	0
Total long-term fixed-rate debt	405,750	405,750	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	45.9	45.9	-
Long-term fixed-rate debt ratio	92.3	92.3	-

(*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

(*2) Long-term fixed-rate debt ratio = total long-term fixed-rate debt ÷ total interest-bearing debt x 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 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 September 12, 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.