

December 28, 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 December 28, 2016 concerning a long-term borrowing:

### Description

#### 1. Long-term Borrowing (Fixed interest rate)

Lender	Amount Borrowed	Interest Rate	Expected Date of Implementation	Methods of Borrowing, Repayment, Security and Guarantee etc.	Repayment Due Date
Shinkin Central Bank	¥3 billion	0.3813%	December 30, 2016	Unsecured, unguaranteed, repayable in one lump sum on repayment due date	December 30, 2026

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

- (1) Amount to be borrowed  
¥3 billion
- (2) Specific use of proceeds  
Refinancing of long-term borrowing
- (3) Expected date of expenditure  
December, 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	7,000	7,000	0
Long-term borrowings	389,625	389,625	0
(of which those subject to floating interest rates)	19,000	19,000	0
Bonds	35,000	35,000	0
Total interest-bearing debt	431,625	431,625	0
Total long-term fixed-rate debt	405,625	405,625	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	45.4	45.4	-
Long-term fixed-rate debt ratio	94.0	94.0	-

(\*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.

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 September 29, 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 December 28, 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.