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For Immediate Release

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Notice Concerning the Conclusion of Interest Rate Swap Agreement

NIPPON REIT Investment Corporation (“NIPPON REIT”) announces today the following Interest Rate Swap Agreement (the “Swap Agreement”) concerning the borrowing of funds (Loan No.025 (Loan Amount: 5,600 million yen, Tenor: 6 years), Loan No.026 (Loan Amount: 3,400 million yen, Tenor: 7 years), Loan No.027 (Loan Amount: 2,600 million yen, Tenor: 8 years)) announced in “Notice Concerning Borrowing of Funds” dated March 24, 2017 (the “Borrowing”) was concluded.

- Reason for the conclusion of the Swap Agreement
To convert the interest rate payable for the Borrowing into a fixed rate and hedge the risks against interest rate fluctuations.

2. Content of the Swap Agreement

Counterparty	Notional Amount	Interest (Note1)		Commencement Date	Termination Date
		Fixed interest rate payable	Floating interest rate receivable		
Shinsei Bank, Limited	5,600 million yen	0.0858% (Note2)	JBA Japanese Yen TIBOR applicable to the respective interest calculation period of the Loan No.025	April 24, 2017	April 20, 2023
Nomura Securities Co., Ltd.	3,400 million yen	0.1200% (Note3)	JBA Japanese Yen TIBOR applicable to the respective interest calculation period of the Loan No.026		April 22, 2024
Shinsei Bank, Limited	2,600 million yen	0.1623% (Note4)	JBA Japanese Yen TIBOR applicable to the respective interest calculation period of the Loan No.027		April 21, 2025

- (Note1) Interest payment date shall be the 20th day of every month until the termination date and the termination date (if the date is not a business day, then it shall be the next business day.).
- (Note2) The interest rate payable for the Loan No.025 will be fixed at 0.4758% by the Swap Agreement.
- (Note3) The interest rate payable for the Loan No.026 will be fixed at 0.5600% by the Swap Agreement.
- (Note4) The interest rate payable for the Loan No.027 will be fixed at 0.7023% by the Swap Agreement.

3. Future outlook

There is no change in the outlook of the management status for Fiscal Period Ending June 2017 (from January 1, 2017 to June 30, 2017) and Fiscal Period Ending December 2017 (from July 1, 2017 to December 31, 2017) from that announced in the “Summary of Financial Results for the Fiscal Period Ended December 31, 2016 (REIT)” dated February 16, 2017 because the impact of the conclusion of the Swap Agreement will be minimal.

4. Other matters necessary for investors’ appropriate understanding/judgment of the concerned information

Concerning the risks associated with the conclusion of the Swap Agreement, there is no change from the content of “Part I. Fund Information; Section 1. Status of Fund; 3. Investment Risks” of the securities report submitted on March 24, 2017.

* NIPPON REIT website : <http://www.nippon-reit.com/en>

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