

April 18, 2018

For Immediate Release

Real Estate Investment Trust Securities Issuer:  
NIPPON REIT Investment Corporation  
1-18-1 Shimbashi, Minato-ku, Tokyo  
Toshio Sugita  
Executive Officer  
(Securities Code: 3296)

Asset Management Company:  
Sojitz REIT Advisors K.K.  
Toshio Sugita  
President, Director & CEO

Contact: Takahiro Ishii  
General Manager  
Corporate Planning Department  
Finance & Planning Division  
(TEL: +81-3-5501-0080)

## Notice Concerning Issuance of Investment Corporation Bonds

NIPPON REIT Investment Corporation ("NIPPON REIT") announces that it has decided to issue investment corporation bonds (the "Issuance") today.

### 1. Summary of the investment corporation bonds

- |                                 |  |
|---------------------------------|--|
| (1) Name                        | The Investment Corporation 1st unsecured bonds (with pari passu conditions among specified investment corporation bonds) ("the 1st Investment Corporation Bonds")<br>The Investment Corporation 2nd unsecured bonds (with pari passu conditions among specified investment corporation bonds) ("the 2nd Investment Corporation Bonds")   |
| (2) Total issue amount          | The 1st Investment Corporation Bonds and the 2nd Investment Corporation Bonds shall be hereinafter collectively referred to as the "Investment Corporation Bonds". In the following items, matters common to each investment corporation bond are not described separately.<br>2 billion yen<br>The breakdown is as follows:<br>The 1st Investment Corporation Bonds 1 billion yen<br>The 2nd Investment Corporation Bonds 1 billion yen |
| (3) Form of bond certificate    | The Bonds Transfer Act is applicable to the Investment Corporation Bonds, thus investment corporation bond certificates will not be issued.  |
| (4) Issue price                 | ¥100 per ¥100 of each bond   |
| (5) Redemption price            | ¥100 per ¥100 of each bond   |
| (6) Interest rate               | The 1st Investment Corporation Bonds 0.540% per annum<br>The 2nd Investment Corporation Bonds 0.700% per annum   |
| (7) Denomination price          | 0.1 billion yen  |
| (8) Offering method             | Public offering  |
| (9) Offering period             | April 18, 2018   |
| (10) Payment date               | April 24, 2018   |
| (11) Collateral/Guarantee       | Neither collateral nor guarantee is applicable, and no assets are specifically reserved as collateral for the Investment Corporation Bonds.  |
| (12) Redemption method and date | The 1st Investment Corporation Bonds April 24, 2025<br>The 2nd Investment Corporation Bonds April 24, 2028   |

- The Investment Corporation Bonds may be purchased and cancelled at any time after the payment date, except for the case of service regulations and other rules that the statutory or depository otherwise stipulates.  
If the maturity date of the Investment Corporation Bonds falls on the bank holiday, the payment will be moved forward to the previous bank business day.
- (13) Interest payment dates April 24 and October 24 every year  
(14) Rating A (Japan Credit Rating Agency, Ltd.)  
(15) Financial covenants Negative pledge among unsecured bonds  
(16) Depository Japan Securities Depository Center Incorporated  
(17) Fiscal agent, issuing agent, and paying agent MUFG Bank, Ltd.  
(18) Underwriting securities companies Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.  
Mizuho Securities Co., Ltd.

## 2. Reason for bonds issuance

NIPPON REIT intends to disperse further its debt maturity, make longer average borrowing period while keeping level of borrowing cost and diverse financing method through the first issuance of investment corporation bonds.

## 3. Total amount to be raised, use of funds and scheduled of disbursement

- (1) Total amount to be raised (approximate net balance)  
1,978 million yen in total
- (2) Specific use of funds and scheduled of disbursement  
Use as the funds for part of repayment of the loan due on April 24, 2018 (9,500 million yen in total).

## 4. Status of loans, etc. after the Issuance (Note1)

(Unit : million yen)

	Before Drawdown	After Drawdown	Increase (Decrease)
Short-term loans	2,600	—	(2,600)
Long-term loans	103,570	104,170	600
Total loans	106,170	104,170	(2,000)
Investment corporation bonds	—	2,000	2,000
Total interest-bearing liabilities	106,170	106,170	—

(Note1) Status after execution of all borrowings that NIPPON REIT announces in "Notice Concerning Borrowing of Funds" on March 28, 2018 are stated.

(Note2) Short-term loans refer to loans with the period from the drawdown date to the repayment date being one year or less, and long-term loans refer to loans with the period from the drawdown date to the repayment date being more than one year. Long-term loans include also the current portion of long-term loans (loans due for repayment).

## 4. Future outlook

The forecast of the management status for fiscal period ending June 2018 (from January 1, 2018 to June 30, 2018) and fiscal period ending December 2018 (from July 1, 2018 to December 31, 2018) announced in the "Summary of Financial Results for the Fiscal Period Ended December 31, 2017 (REIT)" dated February 16, 2018 remains unchanged because the impact will be minimal.

5. Other matters necessary for investors' appropriate understanding/judgment of the concerned Information

Concerning the risks associated with the borrowing, there is no change from the content of "Part I. Fund Information; Section 1. Status of Fund; 3. Investment Risks" of the Securities Reports submitted on March 28, 2018.

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

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