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For Immediate Release

Investment Corporation:
AEON REIT Investment Corporation
1-2-1, Kanda Nishiki-cho, Chiyoda-ku, Tokyo
Representative: Nobuaki Seki, Executive Director
(Securities code: 3292)

Asset Manager:
AEON Reit Management Co., Ltd.
Representative: Nobuaki Seki, Representative Director and President
Inquiries: Tomohiro Itosaka, Managing Director in charge of
Finance and Administration
(TEL: +81-3-5283-6360)

Notice Concerning Debt Financing Through Green Jointly Operated Specified Money Trust (AEON Reit Green Trust)

AEON REIT Investment Corporation (“we” or the “Investment Corporation”) hereby announces that it has determined the details of debt financing for the refinancing fund of 3.3 billion yen (the “Debt Financing”), which will be used for repayments related to the borrowing of 20.8 billion yen, whose maturity date is October 20, 2022. Details are as follows.

1. Debt Financing:

(1) Details of the Debt Financing

Term	Expected lender (Note 2)	Scheduled borrowing amount (in billions of yen)	Interest rate (Note 3)	Scheduled borrowing date	Financing method	Maturity	Repayment Method (Note 4)	Security and guarantee
long term	Sumitomo Mitsui Trust Bank, Limited (Trust unit)	3.3	To be determined	October 20, 2022	Based on the Jointly-Operated Specified Money Trust [common name: AEON Reit Green Trust (202210)] formed by the lender on the left, a loan agreement will be concluded on October 18, 2022, with the lender on the left.	October 20, 2025	Bullet repayment (scheduled)	Unsecured and unguaranteed (scheduled)

(Notes)

1. The Debt Financing is subject to the fulfillment of certain requirements such as the execution of a loan agreement which is reasonably satisfactory to the lenders and the fulfillment of all of the conditions precedent to the lending as may be separately agreed upon.
2. Based on the Jointly-Operated Specified Money Trust (common name: AEON Reit Green Trust (202210)) formed by the lender in the above, a loan agreement will be concluded with the lender on October 18, 2022. For the scheme of AEON Reit Green Trust, refer to “4. AEON Reit Green Trust,” referred to subsequently in this announcement.

3. We will announce once Interest rate is fixed.
4. If certain requirements including our advance written notice are met during the period between the date of executions of the Debt Financing and the repayment dates indicated above, each of the borrowings is repayable either in whole or in part prior to the maturity date.

2. Reason for conducting the Debt Financing

With the basic philosophy of contributing to the enhancement of people's lives and local communities through investment in retail facilities and related properties, Investment Corporation aims to ensure stable income in the medium to long term by investing in assets that form the backbone of local communities and their lifestyle infrastructure. To achieve this philosophy and goal, it is important to take ESG into consideration in all aspects of operations and collaborate with stakeholders who facilitate it. Based on this concept, AEON Reit Management Co., Ltd. (the "Asset Manager ") with which the Investment Corporation entrusts the management of its assets, has established a policy for sustainability and will facilitate its implementation.

As part of such efforts, the Investment Corporation has recently decided to raise funds through a jointly operated specified money trust formed by Sumitomo Mitsui Trust Bank, Limited. The program is expected to attract investors who are interested in ESG-oriented investments, diversify the Investment Corporation's means of financing and enhance its presence in the green finance market.

The amount will be used as the refinancing fund of 3.3 billion yen for repayment of the borrowing of 20.8 billion yen (Note 1), whose maturity date is October 20, 2022. Of the abovementioned borrowing of 20.8 billion yen, 17.5 billion yen, which is the amount after excluding the above 3.3 billion yen to be borrowed, will be refinanced separately (Note 2).

(Note 1) The relevant borrowing was announced in the "Notice Concerning Debt Financing (Determination of borrowing amount and Interest Rate)" on February 23, 2016, and "Notice Concerning Debt Financing (Determination of Interest Rate) and Conclusion of Interest Rate Swap Agreements " on October 18, 2016, and "Notice Concerning Debt Financing (Determination of Interest Rate) and Conclusion of Interest Rate Swap Agreements" on March 24, 2017, and "Notice Concerning Debt Financing (Determination of Interest Rate) and Conclusion of Interest Rate Swap Agreements" on October 17, 2019.

(Note 2) For the 17.5 billion yen that will be borrowed separately, refer to the "Notice Concerning Debt Financing (Refinancing of the Existing Loans)" announced on September 29, 2022.

3. Total amount to be procured, use of proceeds and anticipated disbursement date of the proceeds

- (a) Total amount to be procured
¥3.3 billion
- (b) Specific use of proceeds
The proceeds from the Debt Financing will be used to for repayment of borrowings described in "2.Reason for conducting the Debt Financing".
- (c) Anticipated disbursement date
October 20, 2022

In addition, we will announce Status of balance of borrowings and other interest-bearing debt after the Debt Financing are fixed.

4. AEON Reit Green Trust

The AEON Reit Green Trust is a Green Jointly Operated Specified Money Trust (common name: AEON Reit Green Trust (202210)) operated under loans used as funds for the acquisition of, and refinancing, etc., for Green Qualified Assets (Note 1) by the Investment Corporation. It is in compliance with the Green Bond Principles

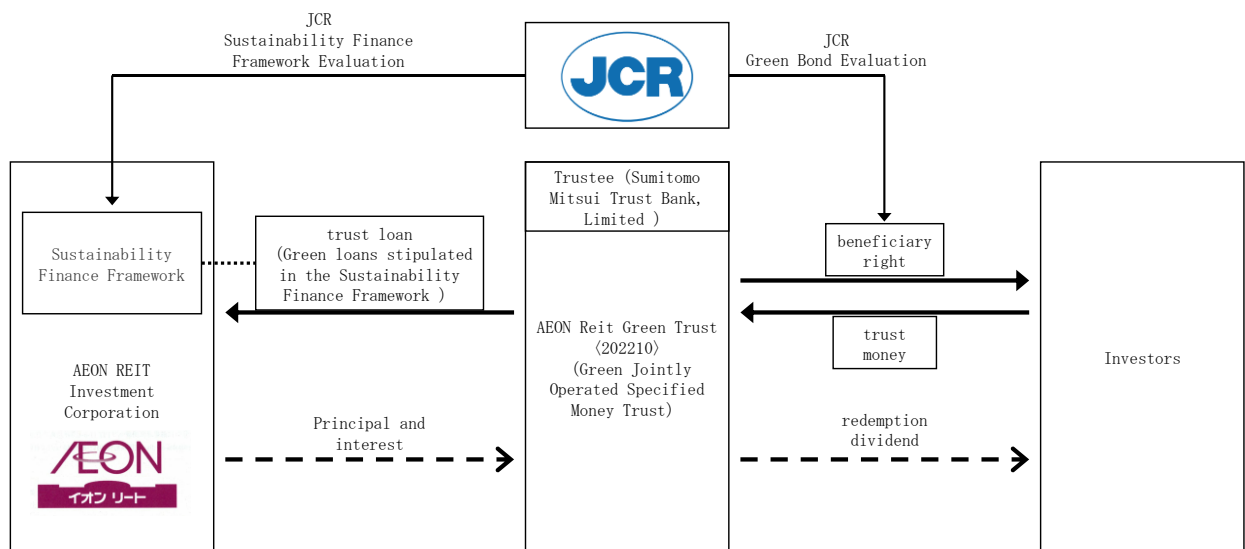
(Note 2), which is international guidelines, and the Green Bond Guidelines of the Ministry of the Environment.

The Loans to AEON Reit Green Trust will be financed as Green loans stipulated in the Sustainability Finance Framework (the “Finance Framework”) formulated by Asset Manager.

The Investment Corporation has acquired “SU1(F)” of “JCR Sustainability Finance Framework Evaluation” (Note 3) from Japan Credit Rating Agency, Ltd. (JCR) as a third-party evaluation on its Finance framework.

All funds procured through the Debt Financing will be used as refinancing funds for the amount borrowed to acquire AEON MALL Kofu Showa (existing building) and AEON MALL Kagoshima, which are Green Qualified Assets.

Outline of the scheme



If the Investment Corporation procures funds through green finance (Note 4) for any project including this matter, it will execute such procurement to the extent that it does not exceed the upper limit of the green finance specified (Note 5) by Asset Manager.

(Note 1) Green Qualified Assets are defined in the Sustainability Finance Framework of the Investment Corporation (refer to the “Notice Concerning Formulation of Sustainability Finance Framework ” announced October 27, 2020.) as new or existing assets that have obtained or are expected to obtain DBJ Green Building Certification (higher than a three-star rating), CASBEE Certification (higher than a B-plus rating), BELS Certification (higher than a three-star rating), LEED Certification (Silver, Gold or Platinum rating), and a third party certificate other than the said certifications with their respective equivalent ratings (collectively the “Environmental Certification”). Based on the framework, it is also expected that the Investment Corporation will obtain such certifications proactively and strive to acquire the Environmental Certification through initiatives aimed at improving environmental performance for other assets for which such Environmental Certification has not yet been obtained.

(Note 2) The Green Bond Principles are guidelines formulated by the International Capital Market Association (ICMA). A “Green Bond” refers to a bond issued by institutions, such as investment corporations, companies and local governments, to borrow funds used for green projects that are clearly beneficial to the global environment.

(Note 3) For details of “JCR Sustainability Finance Framework Evaluation,” please refer to the website of Japan Credit Rating Agency, Ltd. (JCR) (<https://www.jcr.co.jp/en/greenfinance/sustainability/>).

(Note 4) In the Asset Manager, “Green Financing” collectively means borrowings or the issuance of investment corporation bonds to use all borrowed funds for the acquisition of Green Qualified Assets or the refinancing of funds required for the acquisition of Green Qualified Assets.

(Note 5) The upper procurement limit of Green Financing shall be calculated using the following formula: Total acquisition value of Green Qualified Assets × Total assets LTV.

5. Additional items required to ensure appropriate understanding and judgment by Investors about the information contained herein:

As for risks regarding repayment of the Debt Financing, there are no material changes from the details described in “Investment risks” mentioned in the securities report submitted on April 27, 2022.

End

*The Investment Corporation’s website: <https://www.aeon-jreit.co.jp/en/index.html>