

For Translation Purposes Only

Real Estate Investment Fund Issuer:
Mori Hills REIT Investment Corporation
(Securities Code: 3234)
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MHR Announces Issuance of Investment Corporation Bond (Green Bond)

Mori Hills REIT Investment Corporation (hereinafter “MHR”) hereby announces that it decided to issue investment corporation bond (green bond) as below.

1. Overview of Investment Corporation Bond

(1) Name of investment corporation bond

MHR Twenty-fourth Series Unsecured Investment Corporation Bond (subject to a limited pari passu clause between specified investment corporation bonds) (green bond) (hereinafter, “Investment Corporation Bond”).

(2) Total issue amount of investment corporation bond

3.3 billion yen

(3) Certificates

The stipulation of the Act on Book Entry of Corporate Bonds and Shares will be applied to Investment Corporation Bond. Thus, investment corporation bond certificates will not be issued for Investment Corporation Bond.

(4) Payment price

100 yen per face value of 100 yen for each investment corporation bond

(5) Redemption price

100 yen per face value of 100 yen for each investment corporation bond

(6) Interest rate

0.490% per annum

(7) Investment corporation bond amount

100 million yen per investment corporation bond

(8) Offering method

Primary offering

(9) Subscription period

November 14, 2023

- (10) Payment date
November 29, 2023
- (11) Collateral and guarantee
Investment Corporation Bond is unsecured and unguaranteed. Furthermore, there is no particular asset retained for Investment Corporation Bond.
- (12) Redemption method and maturity
The total amount of Investment Corporation Bond will be redeemed on November 27, 2026. Redemption by purchase of Investment Corporation Bond by MHR is allowed at any time starting on the day following the payment date, unless otherwise specified by the book-entry transfer institution mentioned under (16) below.
- (13) Interest payment date
The first payment date will be May 29, 2024, and thereafter May 29 and November 29 of each year.
(If the interest payment date is a bank holiday, then the bank business day preceding it shall be deemed as the interest payment date.)
- (14) Special financial condition
Negative pledge clause is applicable.
- (15) Credit rating
Japan Credit Rating Agency, Ltd.: AA
- (16) Book-entry transfer institution
Japan Securities Depository Center, Inc.
- (17) Fiscal agent, issuing agent and paying agent
Sumitomo Mitsui Trust Bank, Limited
- (18) Underwriting securities companies
Mizuho Securities Co., Ltd.
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
SMBC Nikko Securities Inc.

2. Reason for Issuance

In order to contribute to the realization of a sustainable society and maximize unitholder value over the medium to long term, MHR decided to issue Investment Corporation Bond to procure investment funds for projects that are conscious of the environment.

3. Amount of Funds to be Procured, Use of Funds and Planned Expenditure Period

(1) Amount of funds to be procured (estimated paid-in amount): 3,281 million yen

(2) Specific use of funds to be procured and planned expenditure period

It will be used to part of funds for repayment of 6,300 million yen in long-term loans payable due November 30, 2023 (hereinafter “Existing Long-term Loans Payable”). (Difference of 3,019 million yen is planned to be appropriated by refinancing and cash-on-hand. However, the details haven’t been decided.)

Existing Long-term Loans Payable is based on the green finance framework (Note) formulated by MHR, the funds procured through the Green Loans are planned to be disbursed as funds for refinancing the borrowings associated with the funds for the acquisition of ARK Mori Building and Koraku Mori Building (including funds procured through subsequent refinancing), being assets that meet the eligibility criteria.

(Note) For details on green finance framework, please refer to the MHR's website below.

[https://www.mori-hills-](https://www.mori-hills-reit.co.jp/en/outline/Sustainability/environment_initiatives/green_finance/tabid/421/Default.aspx)

[reit.co.jp/en/outline/Sustainability/environment_initiatives/green_finance/tabid/421/Default.aspx](https://www.mori-hills-reit.co.jp/en/outline/Sustainability/environment_initiatives/green_finance/tabid/421/Default.aspx)

4. Investors Who Declared Intention to Invest in Investment Corporation Bond
Listed below in Japanese syllabary order are investors to date who declared their intention of investment in Investment Corporation Bond and agreed to disclose their names.

- Mitsubishi UFJ Asset Management Co., Ltd.
- Meiji Yasuda Asset Management Company Ltd.

5. Borrowings, etc. after the Issuance of Investment Corporation Bond

(unit: millions of yen)

	Before the Issuance	After the Issuance	Change
Long-term loans payable	170,122	166,822	△3,300
Investment corporation bonds	20,300	23,600	3,300
Total interest-bearing debt	190,422	190,422	0

(Note 1) Indicates the borrowings, etc. as of November 30, 2023 after the issuance of Investment Corporation Bond (After the repayment of the Existing Long-term Loans Payable as mentioned in Section 3. (2)). It is assumed that 3,000 million yen of the Existing Long-term Loans Payable will be refinanced.

(Note 2) Long-term loans payable and investment corporation bonds include the current portion of long-term loans payable and investment corporation bonds within a year.

6. Other Items Required for Investors to Appropriately Understand/Judge the Concerned Information

As for risks regarding redemption of Investment Corporation Bond, etc. there are no material changes from the content of the investment risks indicated in the Semiannual Securities Report (Japanese) for the thirty-fourth fiscal period (ended July 31, 2023) submitted on October 25, 2023.

- MHR's website: <https://www.mori-hills-reit.co.jp/en/>