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For Immediate Release

Investment Corporation

Japan Real Estate Investment Corporation

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**Announcement of Debt Financing**

Japan Real Estate Investment Corporation hereby announces its decision today to procure funds as follows:

**1. Reason for the borrowing**

To allocate the loans to part of the acquisition fund of domestic real estate (3rd MINAMI AOYAMA), which is stated in the press release titled “Announcement of Acquisition of Domestic Real Estate and Disposition of Trust Beneficiary Interest in Domestic Real Estate” dated today.

**2. Overview of the borrowing**

&lt;Short-term loans&gt;

(1) Borrowing date March 8, 2024

(2) Lender, Amount of loan, Principal repayment date

Lender	Amount of loan	Principal repayment date
MUFG Bank, Ltd.	JPY 11,500 million	March 10, 2025
Mizuho Bank, Ltd.	JPY 6,500 million	

(3) Interest rate: Base rate (1-month JPY TIBOR published by Japanese Bankers Association (hereinafter “JBA”)) + 0.040% (Note1)

(4) Method of borrowing: Loan based on overdraft agreement  
Unsecured/unguaranteed loan

(5) Interest payment date: The principal repayment date and the 8th of every month in the period until the principal repayment date (Note2)

(6) Method of principal repayment: Lump-sum repayment on the principal repayment date

(Note1) • The base rate to calculate the interest to be paid on interest payment dates is JBA 1-month JPY TIBOR as of the second preceding business day of the borrowing date for the first interest payment date

and as of the second preceding business day of the most recent interest payment date for the subsequent interest payment dates. (JBA 1-month JPY TIBOR as of March 6, 2024 is 0.07455%.)

- For the JBA Japanese Yen TIBOR, please refer to JBA TIBOR administration’s website (<https://www.jbatibor.or.jp/english/rate/>).

(Note2) When an interest payment date is not a business day, the interest shall be paid on the following business day or the immediately preceding business day if the following business day is in the following month.

<Long-term loan>

(1)	Amount of loan	JPY 3,000 million
(2)	Lender	The Chugoku Bank, Ltd.
(3)	Interest rate	0.83375% (Fixed) (Note1)
(4)	Borrowing date	March 8, 2024
(5)	Method of borrowing	Loan agreement dated March 7, 2024 Unsecured/unguaranteed loan
(6)	Interest payment date	The principal repayment date and the 8th day of every March and September in the period until the principal repayment date (Note2)
(7)	Method of principal repayment	Lump-sum repayment on the principal repayment date
(8)	Principal repayment date	March 8, 2032

(Note1) This borrowing will be procured through a sustainability-linked loan (“SLL”), whose loan terms are aligned with JRE’s achievement status of the following sustainability performance target (“SPT”) set beforehand.

- SPT : Reduce CO<sub>2</sub> emissions by 80% by fiscal 2030 (Base year: Fiscal 2019 / Absolute basis)

The applicable interest rate will be lower by 0.01% on the condition that the above target set as SPT is achieved for the respective performance levels set for September 2024, September 2027, and September 2030, for the period until the performance level is next confirmed (for the time of final confirmation, the repayment date). Please refer to “Loans and Bonds” under Financial Summary of JRE’s website <https://www.j-re.co.jp/en/cms/finance/debt.html> for the interest rate applicable after the performance level is confirmed.

Moreover, in concluding the agreement for the SLL, JRE has established “Sustainability-Linked Loan Framework” and obtained a second-party opinion from Japan Credit Rating Agency, Ltd. (JCR) with regard to conformity with the Sustainability Linked Loan Principles and the rationality of the established SPT.

(Note2) When an interest payment date is not a business day, the interest shall be paid on the following business day or the immediately preceding business day if the following business day is in the following month.

### 3. Balance of interest-bearing debt after the debt financing

(Units: millions of JPY)

	Before	After	Increase/Decrease
Short-term loans payable	38,500	56,500	+18,000
Long-term loans payable (Variable interest rate)	17,000	17,000	±0
Long-term loans payable (Fixed interest rate)	370,700	373,700	+3,000
<b>Total loans</b>	<b>426,200</b>	<b>447,200</b>	<b>+21,000</b>
Investment corporation bonds	32,993	32,993	±0
<b>Total investment corporation bonds</b>	<b>32,993</b>	<b>32,993</b>	<b>±0</b>
<b>Total interest-bearing debt</b>	<b>459,193</b>	<b>480,193</b>	<b>+21,000</b>

(Note) The balance stated in the “Before” column takes into account the borrowing detailed in the press releases titled “Announcement of Debt Financing (Sustainability-Linked Loan)” dated February 28, 2024.

#### **4. Others**

Regarding risks pertaining to these loan repayments, there is no material change to the descriptions of “Investment risks” in the latest securities report submitted on December 25, 2023.

This is the English translation of the announcement in Japanese dated March 7, 2024.

No assurance or warranties are given for the completeness or accuracy of this English translation.