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For Immediate Release

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Notice Concerning Debt Financing (Including Sustainability-Linked Loan) and Repayment of Loans

Daiwa House REIT Investment Corporation (“DHR”) hereby announces that it decided today to conduct debt financing and repayment of loans (collectively referred to as the “Transaction”) as described below.

1. Details of the debt financing

Category	Lender	Anticipated borrowing amount (million yen)	Interest rate	Borrowing period	Anticipated date of execution	Principal repayment date	Method of repayment	Collateral
Long-term	Mitsui Sumitomo Insurance Company, Limited	1,000	TBD (Fixed) (Note 1)	7.0 years	March 29, 2024	March 31, 2031	Bullet repayment	Unsecured and non-guaranteed
	MUFG Bank, Ltd.; Sumitomo Mitsui Trust Bank, Limited; Sumitomo Mitsui Banking Corporation; Mizuho Bank, Ltd.; Aozora Bank, Ltd.; Resona Bank, Limited; SBI Shinsei Bank, Limited (Sustainability-Linked Loan) (Note 2)	11,000	TBD (Fixed) (Note 3)	8.0 years	March 29, 2024	March 31, 2032		
	Sumitomo Mitsui Banking Corporation; MUFG Bank, Ltd.; Sumitomo Mitsui Trust Bank, Limited; Development Bank of Japan, Inc.	3,000	TBD (Fixed) (Note 4)	6.0 years	April 1, 2024	March 29, 2030		
Total		15,000						

(Note 1) The interest rate will be announced once determined. The first interest payment date is the last day of August 2024 and subsequent interest payment dates are the last day of the months of August and February and the principal repayment date (in case such date is not a business day, the following business day will be the interest payment date; however, in case this following business day falls into the following month, the immediately preceding business day will be the interest payment date).

(Note 2) The interest rate changes annually, according to the degree of achievement of the Sustainability Performance Target (“SPT”) as follows: after the last day of April 2025, interest rates applicable on May 31 (the preceding business day if such date is not a business day) and thereafter will change according to the CDP score as of the last day of April each year.

SPT: To achieve the “A List” status (the highest valuation) in the CDP Climate Change Program

CDP score “A” (SPT achieved): Initial interest rate -0.01%

CDP score “A-” (SPT not achieved): Initial interest rate $\pm 0.00\%$

CDP score “B” or lower (B/ B-/ C/ C-/ D/ D-/ F) (SPT not achieved): Initial interest rate $+0.01\%$

With regard to this loan, DHR has obtained an external review from Japan Credit Rating Agency, Ltd. (“JCR”) in alignment with the “Sustainability Linked Loan Guidelines” issued by the Ministry of Environment of Japan and the Sustainability Linked Loan Principles (SLLP) issued by Asia Pacific Loan Market Association (APLMA), Loan Market Association (LMA), and Loan

Syndications and Trading Association (LSTA). For details, please refer to the news release dated today published by JCR (<https://www.jcr.co.jp/release>).

(Note 3) The initial interest rate will be announced once determined. The interest rate applicable on May 31, 2025 and onwards will be announced at DHR's website. The first interest payment date is the last day of May 2024 and subsequent interest payment dates are the last day of every 3 months thereafter and the principal repayment date (in case such date is not a business day, the following business day will be the interest payment date; however, in case this following business day falls into the following month, the immediately preceding business day will be the interest payment date).

(Note 4) The interest rate will be announced once determined. The first interest payment date is the last day of May 2024 and subsequent interest payment dates are the last day of every 3 months thereafter and the principal repayment date (in case such date is not a business day, the following business day will be the interest payment date; however, in case this following business day falls into the following month, the immediately preceding business day will be the interest payment date).

2. Reason for conducting the Debt Financing

The Debt Financing will be used to repay long-term loans of a total of 12,000 million yen due on March 29, 2024 and long-term loans of 3,000 million yen due on April 1, 2024.

3. Details of the long-term loans to be repaid

Category	Lender	Borrowing amount (million yen)	Interest rate	Borrowing period	Date of execution	Principal repayment date	Method of repayment	Collateral
Long-term	Mitsui Sumitomo Insurance Company, Limited	1,000	0.54625% (Fixed)	7.1 years	March 9, 2017	March 29, 2024	Bullet repayment	Unsecured and non-guaranteed
	MUFG Bank, Ltd.; Sumitomo Mitsui Trust Bank, Limited; Sumitomo Mitsui Banking Corporation; Mizuho Bank, Ltd.; Aozora Bank, Ltd.; Resona Bank, Limited; SBI Shinsei Bank, Limited	11,000	0.48305% (Fixed)	7.5 years	September 30, 2016	March 29, 2024		
	Sumitomo Mitsui Banking Corporation; MUFG Bank, Ltd.; Sumitomo Mitsui Trust Bank, Limited; Development Bank of Japan, Inc.	3,000	1.518% (Fixed) (Note)	10.0 years	April 1, 2014	April 1, 2024		
Total		15,000						

(Note) Although the term loan agreement is based on a floating interest rate, the interest rate is fixed in effect by entering into an interest rate swap agreement.

4. Status of interest-bearing debt after the Transaction

(Unit: million yen)

	Before	After	Increase / Decrease
Short-term loans	14,000	14,000	—
Long-term loans (Note)	366,550	366,550	—
Total loans	380,550	380,550	—
Investment corporation bonds	44,000	44,000	—
Total interest-bearing debt	424,550	424,550	—

(Note) Current portion of long-term loans is included in Long-term loans.

5. Other

For the risks concerning the Transaction, there are no changes from the Japanese language securities report submitted on November 27, 2023.

* DHR's website: <https://www.daiwahouse-reit.co.jp/en>