

Translation of Japanese Original

March 10, 2020

To All Concerned Parties

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(Securities Code: 8972)

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**Notice Concerning Debt Financing (Series 172) and
Execution of an Interest Rate Swap Agreement**

Kenedix Office Investment Corporation (“the Investment Corporation”) has announced today, that the Investment Corporation decided to undertake the debt financing (total of 4,800 million yen) and the execution of an interest rate swap agreement.

Please see below for the details.

1. Outline of Debt Financing

Series	Lender	Amount	Interest Rate (Note 1) (Note 2)	Contract Date	Drawdown Date	Principal Repayment Date (Note 1)	Collateral · Repayment Method
172-A	Sumitomo Mitsui Banking Corporation	3,000 million yen	Base rate (JPY TIBOR for 1 month) +0.30000%	March 10, 2020	March 12, 2020	February 28, 2021	Unsecured, unguaranteed · Repayment of principal in full on maturity date
172-B	Sumitomo Mitsui Banking Corporation	1,800 million yen	Base rate (JPY TIBOR for 3 months) +0.40000%			February 28, 2026	

Note 1: The first interest payment of Series 172-A is due at the end of March 2020, and on the last day of every month thereafter with the principal repayment day. The first interest payment of Series 172-B is due at the end of May 2020, and on the last day of every 3 months thereafter with the principal repayment day. If each interest payment day or the principal repayment day is a non-business day, then the interest payment or the principal repayment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.

Note 2: The base rates that are applied during interest period for the interest due on each interest payment date for Series 172-A shall be calculated based on Japanese Yen TIBOR for 1 month, which the JBA TIBOR Administration (“the JBATA”) releases two business days before each interest payment date and for Series 172-B shall be calculated based on Japanese Yen TIBOR for 3 months, which the JBATA releases two business days before each interest payment date.

The Japanese Yen TIBOR of the JBATA is available on the JBATA website (<http://www.jbatibor.or.jp/english/rate/>).

2. Purpose of Debt Financing

Series 172-A is to apply the fund towards the repayment of Series 98-A (3,000 million yen) with the principal repayment date of March 12, 2020, Series 172-B is to apply the fund towards the repayment of Series 97-C (1,800 million yen) with the principal repayment date of March 12, 2020.

3. Interest Rate Swap Agreement

(1) Purpose

For a hedge against possible increases in future interest rate of Series 172-B among the debt financing with floating interest rate.

(2) Details of Interest Rate Swap Agreement

Series		172-B
Counterparty		Nomura Securities Co., Ltd.
Notional Amount		1,800 million yen
Interest Rate	Fixed Interest Rate for Payment (Note)	-0.03900%
	Floating Interest Rate for Receipt	Base rate (JPY TIBOR for 3 months)
Commencement Date		March 12, 2020
Termination Date		February 28, 2026
Payment Date		The first payment is due at the end of May 2020, and on the last day of every 3 months thereafter with the termination date. (If each payment day is a non-business day, then the payment will be due on the next business day and if that next business day is in the next month, then previous business day will be applied.)

Note: By entering into the interest rate swap agreement, the interest rate on Series 172-B is essentially fixed at 0.36100%.

4. Status of Borrowings and Investment Corporation Bonds after the Debt Financing (as of March 12, 2020)

(Millions of yen)

Classification	Balance before the Debt Financing	Balance after the Debt Financing	Difference
Short-Term Borrowings (Note 1)	6,000	9,000	+3,000
Long-Term Borrowings (Note 2)	176,050	173,050	-3,000
Total Borrowings	182,050	182,050	0
Investment Corporation Bonds	10,000	10,000	0
Total Borrowings and Investment Corporation Bonds	192,050	192,050	0

Note 1: Short-term borrowings refer to debt financing with a period less than or equal to one year from the drawdown date to the principal repayment date. However, the borrowings for which the period until the principal repayment date has surpassed one year because the principal repayment date after one year from the drawdown date is not a business day, and for which the principal repayment date has been moved to a different business day, are included in short-term borrowings.

Note 2: Long-term borrowings refer to debt financing with a period more than one year from the drawdown date to the principal repayment date.

5. Other

For risks concerning the repayment, etc. of the aforementioned debt financing, there are no significant changes to the "Investment Risks" as described in the Securities Report (submitted on January 30, 2020).

The Investment Corporation's website: <https://www.kdo-reit.com/en/>

This notice is the English translation of the Japanese announcement on our website released on March 10, 2020. However, no assurance or warranties are given for the completeness or accuracy of this English translation.