

Translation of Japanese Original

March 27, 2020

To All Concerned Parties

REIT Issuer:  
Kenedix Office Investment Corporation  
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(Securities Code: 8972)

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**Notice Concerning Debt Financing (Series 173) 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 1,500 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
173-A	Resona Bank, Limited.	500 million yen	Base rate (JPY TIBOR for 1 month) +0.25000%	March 27, 2020	March 31, 2020	March 31, 2021	Unsecured, unguaranteed · Repayment of principal in full on maturity date
173-B	Sumitomo Mitsui Banking Corporation	1,000 million yen	Base rate (JPY TIBOR for 3 months) +0.50000%			March 31, 2028	

Note 1: The first interest payment of Series 173-A is due at the end of April 2020, and on the last day of every month thereafter with the principal repayment day. The first interest payment of Series 173-B is due at the end of June 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 Series173-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 Series173-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 173 is to apply the fund towards the repayment of Series 163-A (1,500 million yen) with the principal repayment date of March 31,2020.

### 3. Interest Rate Swap Agreement

#### (1) Purpose

For a hedge against possible increases in future interest rate of Series 173-B among the debt financing with floating interest rate.

#### (2) Details of Interest Rate Swap Agreement

Series		173-B
Counterparty		Nomura Securities Co., Ltd.
Notional Amount		1,000 million yen
Interest Rate	Fixed Interest Rate for Payment (Note)	0.14200%
	Floating Interest Rate for Receipt	Base rate (JPY TIBOR for 3 months)
Commencement Date		March 31, 2020
Termination Date		March 31, 2028
Payment Date		The first payment is due at the end of June 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 173-B is essentially fixed at 0.64200%.

### 4. Status of Borrowings and Investment Corporation Bonds after the Debt Financing (as of March 31, 2020)

(Millions of yen)

Classification	Balance before the Debt Financing	Balance after the Debt Financing	Difference
Short-Term Borrowings (Note 1)	9,000	9,500	+500
Long-Term Borrowings (Note 2)	173,050	172,550	-500
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 27, 2020. However, no assurance or warranties are given for the completeness or accuracy of this English translation.