

Translation of Japanese Original

July 26, 2019

To All Concerned Parties

REIT Issuer:
Kenedix Office Investment Corporation
Jiro Takeda, Executive Director
(Securities Code: 8972)

Asset Management Company:
Kenedix Real Estate Fund Management, Inc.
Masahiko Tajima, President & CEO

Inquiries:
Hiroaki Momoi
Head of Planning Division
Office REIT Department
TEL: +81-3-5157-6010

**Notice Concerning Debt Financing (Series 166) and
Execution of Interest Rate Swap Agreements**

Kenedix Office Investment Corporation (“the Investment Corporation”) has announced today, that the Investment Corporation decided to undertake the debt financing (total of 4,000 million yen) and the execution of interest rate swap agreements.

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
166-A	Sumitomo Mitsui Banking Corporation	1,000 million yen	Base rate (JPY TIBOR for 3 months) +0.30000%	July 26, 2019	July 31, 2019	July 31, 2022	Unsecured, unguaranteed · Repayment of principal in full on maturity date
166-B	Sumitomo Mitsui Trust Bank, Limited	1,000 million yen	Base rate (JPY TIBOR for 3 months) +0.30000%			July 31, 2023	
166-C	MUFG Bank, Ltd.	1,000 million yen	Base rate (JPY TIBOR for 3 months) +0.48750%			April 30, 2027	
	Sumitomo Mitsui Trust Bank, Limited	1,000 million yen	Base rate (JPY TIBOR for 3 months) +0.48750%				

Note 1: The first interest payment is due at the end of October 2019, 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 rate that is applied during interest period for the interest due on each interest payment date shall be calculated based on Japanese Yen TIBOR for 3 months, which the JBA TIBOR Administration (“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

For applying the fund towards the repayment of respective borrowings with the principal repayment date of July 31, 2019.

Series 166-A is to apply the fund towards the repayment of Series 155-A (1,000 million yen), Series 166-B is to apply the fund towards the repayment of Series 105 (1,000 million yen) and Series 166-C is to apply the fund towards the repayment of Series 103 (1,000 million yen) and Series 104-B (1,000 million yen).

3. Interest Rate Swap Agreement

(1) Purpose

For a hedge against possible increases in future interest rate.

(2) Details of Interest Rate Swap Agreement

Series		166-A	166-B	166-C	
Counterparty		To be determined and announced upon determination			
Notional Amount		1,000 million yen	1,000 million yen	1,000 million yen	1,000 million yen
Interest Rate	Fixed Interest Rate for Payment	To be determined and announced upon determination			
	Floating Interest Rate for Receipt	Base rate (JPY TIBOR for 3 months)			
Commencement Date		July 31, 2019			
Termination Date		July 31, 2022	July 31, 2023	April 30, 2027	
Payment Date		The first payment is due at the end of October 2019, 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.)			

4. Status of Borrowings and Investment Corporation Bonds after the Debt Financing (as of July 31, 2019)

(Millions of yen)

Classification	Balance before the Debt Financing	Balance after the Debt Financing	Difference
Short-term Borrowings (Note 1)	4,200	3,200	-1,000
Long-term Borrowings (Note 2)	172,850	173,850	+1,000
Total Borrowings	177,050	177,050	0
Investment Corporation Bonds	8,000	8,000	0
Total Borrowings and Investment Corporation Bonds	185,050	185,050	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, 2019).

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 July 26, 2019. However, no assurance or warranties are given for the completeness or accuracy of this English translation.