

For Immediate Release

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ORIX JREIT Announces New Debt Financing

TOKYO, March 27, 2018 — ORIX JREIT Inc. (“OJR”) announces that its asset management company, ORIX Asset Management Corporation, determined new debt financing as described below.

1. Total amount of debt financing, use of proceeds and the scheduled timing of disbursement

(1) Total amount of debt financing

JPY 4.50 billion

(2) Use of proceeds and the scheduled timing of disbursement

Use of proceeds	Total amount of debt financing (JPY million)	The scheduled timing of disbursement
To allocate funds to the long-term loan repayment of JPY 4,500 million due on April 2, 2018	4,500	April 2, 2018

2. New debt financing summary

(1) Long-term loan

a. Lender	The Daishi Bank, Ltd.
b. Loan amount	JPY 1,000,000,000
c. Applicable interest rate ^(Note1)	To be determined (Fixed rate)
d. Drawdown date	April 2, 2018
e. Method of borrowing	Based on the term loan agreement dated March 29, 2018
f. Maturity date	March 20, 2023
g. Principal payment	Bullet payment on the maturity date
h. Collateral / Guarantee	Un-secured / Non-guaranteed
i. Purpose for new debt financing	To allocate to repay the long-term loan of JPY 4,500 million due on April 2, 2018.

Notes

- The interest rate will be announced when applicable interest rate is determined.
- The first interest is scheduled to be paid on June 20, 2018, each interest is thereafter scheduled to be paid on the 20th day of March, June, September and December in every year by the principal payment date and on the principal payment date respectively. But if any such date is not a business day, payment shall be made on the next business day or, if such next business day is in the following month, the immediately preceding business day.

(2) Long-term loan

a. Lender	THE NISHI-NIPPON CITY BANK, LTD.
b. Loan amount	JPY 1,500,000,000
c. Applicable interest rate ^(Note1)	To be determined (Fixed rate)
d. Drawdown date	April 2, 2018
e. Method of borrowing	Based on the term loan agreement dated March 29, 2018
f. Maturity date	March 21, 2025
g. Principal payment	Bullet payment on the maturity date
h. Collateral / Guarantee	Un-secured / Non-guaranteed
i. Purpose for new debt financing	To allocate to repay the long-term loan of JPY 4,500 million due on April 2, 2018.

Notes

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(3) Long-term loan

a. Lender	Resona Bank, Limited
b. Loan amount	JPY 1,000,000,000
c. Applicable interest rate ^(Note1)	To be determined (Fixed rate)
d. Drawdown date	April 2, 2018
e. Method of borrowing	Based on the term loan agreement dated March 29, 2018
f. Maturity date	March 23, 2026
g. Principal payment	Bullet payment on the maturity date
h. Collateral / Guarantee	Un-secured / Non-guaranteed
i. Purpose for new debt financing	To allocate to repay the long-term loan of JPY 4,500 million due on April 2, 2018.

Notes

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(4) Long-term loan

a. Lender	Resona Bank, Limited
b. Loan amount	JPY 1,000,000,000
c. Applicable interest rate ^(Note1)	To be determined (Fixed rate)
d. Drawdown date	April 2, 2018
e. Method of borrowing	Based on the term loan agreement dated March 29, 2018
f. Maturity date	March 23, 2027
g. Principal payment	Bullet payment on the maturity date
h. Collateral / Guarantee	Un-secured / Non-guaranteed

i. Purpose for new debt financing	To allocate to repay the long-term loan of JPY 4,500 million due on April 2, 2018.
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3. Change in interest-bearing liabilities and LTV post- drawdown

Unit: million yen

	Pre-drawdown As of March 27, 2018	Post-drawdown As of April 2, 2018	Change
Short-term loans	—	—	—
Long-term loans	273,517	273,517	—
Total of loans	273,517	273,517	—
Investment corporation bonds	14,500	14,500	—
Sum of loans and investment corporation bonds	288,017	288,017	—
Other interest-bearing liabilities	—	—	—
Total interest-bearing liabilities	288,017	288,017	—
LTV based on total assets <small>(Note 1,3,4)</small>	42.9%	42.9%	—
LTV based on unitholders' capital <small>(Note 2,3,4)</small>	46.2%	46.2%	—

Notes

1. “LTV based on total assets” (%) = Interest-bearing liabilities ÷ Expected total assets × 100
“Expected total assets” is calculated by adding the net increase amount of interest-bearing liabilities and unitholders’ capital since September 1, 2017 to the total assets as of the end of the 31st fiscal period ended August 31, 2017.
2. “LTV based on unitholders’ capital” (%) = Interest-bearing liabilities ÷ (Interest-bearing liabilities + Unitholders’ capital) × 100
3. Each LTV figure is rounded to the one decimal place. Accordingly, each change in the LTV figures may not tally due to rounding error.
4. The calculation of both LTV figures includes proceeds from issue of new investment units through public offering paid in on March 13, 2018, but it does not include proceeds from issue of new investment units through third-party allotment. Regarding proceeds from issue of new investment units through public offering paid in on March 13, 2018, please see “ORIX JREIT Announces the Pricing for the Issue of New Investment Units and Secondary Offering” released on March 6, 2018.

4. Additional information for investors

With respect to the risks associated with new debt financing, the content of “Investment Risks” stated in our Security Report (*Yukashoken Hokokusho*) for the 31st fiscal period ended August 31, 2017, has not changed.

Notes

1. This is the English translation of original Japanese documents and is provided solely for information purposes. If there are any discrepancies between the translation and the Japanese original, the latter shall prevail.
2. The original Japanese version of this announcement is being distributed today to the Kabuto Club, the Ministry of Land, Infrastructure, Transport and Tourism Press Club, and the Ministry of Land, Infrastructure, Transport and Tourism Construction Specialty Publication Press Club.