

For Translation Purposes Only

Real Estate Investment Fund Issuer:
Mori Hills REIT Investment Corporation
(Securities Code: 3234)
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MHR Announces Information on Borrowings

Mori Hills REIT Investment Corporation (hereafter “MHR”) resolved at MHR’s Board of Directors Meeting held today the following with regard to an agreement on borrowing (hereafter “Borrowing”).

1. Purpose of Borrowing

To be used as part of funds for acquisition of “Roppongi Hills Mori Tower” to be acquired on September 16, 2015 (hereafter “Assets to be Acquired”).

(Note) Please refer to the press releases “MHR Announces Asset Acquisition and Lease (Roppongi Hills Mori Tower: Additional Acquisition) separately announced today.

2. Details of Borrowing

Long-term loans payable (maturity of 8 years)

- a) Lender (anticipated): Sumitomo Mitsui Banking Corporation, Mizuho Bank, Ltd., The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, and Sumitomo Mitsui Trust Bank, Limited
- b) Borrowing amount: 2,500 million yen
- c) Interest rate: Base Interest Rate (1-month JBA Japanese Yen TIBOR) (Note 1) + 0.25% (Note 2)
- d) Scheduled drawdown date: September 16, 2015
- e) Interest payment date: The first payment date shall be the last day of September 2015 and subsequent payment dates shall be the last day of every month thereafter (Note 3). The last payment date shall be the principal repayment date.
- f) Principal repayment date: August 31, 2023 (Note 3)
- g) Method of repayment: To be repaid in full on the principal repayment date
- h) Collateral: Unsecured/Unguaranteed

(Note 1) Base interest rate to be applied will be the 1-month JBA Japanese Yen TIBOR (0.13000% as of today) announced by the Japanese Bankers Association two business days prior to the last day of each month (The first payment date shall be the drawdown date. If the date is not a business day, the next business day shall be the date. If this next business day falls into the following month, the business day immediately prior shall be the date). Moreover, the 1-month JBA Japanese Yen TIBOR can be confirmed on the website of General Incorporated Association JBA TIBOR Administration (<http://www.jbatibor.or.jp/>).

(Note 2) MHR plans to separately enter into interest swap agreements to, in effect, convert fluctuating interest rates for loans payable that have variable interest rates into fixed interest rates.

(Note 3) However, if this date is not a business day, the next business day shall be the payment date. If this next business day falls into the following month, the business day immediately prior shall be the payment date.

3. Amount of Funds, Specific Use of Funds and Scheduled Payment Period

- (1) Amount of funds to be procured: 2,500 million yen
- (2) Specific use of funds and scheduled payment period
 - a) Specific use of funds to be procured: To be disbursed as part of funds for acquisitions of the Assets to be Acquired, etc.
 - b) Amount: 2,500 million yen
 - c) Scheduled payment period: September 16, 2015

4. Borrowings, etc. after the Borrowing

(Unit: millions of yen)

	Before the Borrowing	After the Borrowing	Change
Long-term loans payable	106,200	108,700	2,500
Investment corporation bonds	24,000	24,000	—
Total interest-bearing debt	130,200	132,700	2,500

(Note) Long-term loans payable include the current portion of long-term loans payable.

5. Other Items Required for Investors to Appropriately Understand/Judge the Concerned Information

There are no changes to the content of “1. Fund Information; 1. Fund Status; 3. Investment Risks” indicated in the Semiannual Securities Report (Japanese) for the seventeenth fiscal period submitted on April 27, 2015 as a result of the Borrowing.

- This press release was distributed to the Kabuto Club (the press club of the Tokyo Stock Exchange), the Ministry of Land, Infrastructure, Transport and Tourism Press Club, and the Ministry of Land, Infrastructure, Transport and Tourism Press Club for Construction Publications.
- MHR's website address is <http://www.mori-hills-reit.co.jp/>