

September 26, 2019

For Immediate Release

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**Notice Concerning Debt Financing Through
 Green Jointly Operated Specified Money Trust (AEON Reit Green Trust)**

AEON REIT Investment Corporation (“we” or the “Investment Corporation”) hereby announces that it has determined the details of debt financing for the refinancing fund of 3.3 billion yen (the “Debt Financing), which will be used for repayments related to the borrowing of 15.6 billion yen, whose maturity date is October 21, 2019. Details are as follows.

1. Debt Financing:

(1) Details of the Debt Financing

Term	Expected lender (Note 1)	Scheduled borrowing amount (in billions of yen)	Interest rate (Note 3)	Borrowing date	Financing method	Maturity	Repayment Method (Note 4)	Security and guarantee	Green Loan provisional evaluation
long term	Sumitomo Mitsui Trust Bank, Limited (Trust unit)	3.3	To be determined	October 21, 2019 (scheduled)	Based on the Jointly-Operated Specified Money Trust [common name: AEON Reit Green Trust] formed by the lender on the left, a loan agreement will be concluded on October 17, 2019, with the lender on the left.	October 20, 2022	Bullet repayment (scheduled)	Unsecured and unguaranteed (scheduled)	Green 1

(Notes)

- Based on the Jointly-Operated Specified Money Trust (common name: AEON Reit Green Trust) formed by the lender in the above, a loan agreement will be concluded with the lender on October 17, 2019. For the scheme of AEON Reit Green Trust, refer to “4. Scheme of AEON Reit Green Trust,” referred to subsequently in this announcement.

Disclaimer: This announcement has been prepared for the public disclosure of Debt Financing Through Green Jointly Operated Specified Money Trust (AEON Reit Green Trust) and has not been prepared for the purpose of soliciting investment. Any investment decision should be based on an investor’s own responsibility and judgment after reading the prospectus for the new investment units and secondary offering of investment units, as well as any revisions thereto (if any) prepared by us.

2. The Debt Financing is subject to the fulfillment of certain requirements such as the execution of a loan agreement which is reasonably satisfactory to the lenders and the fulfillment of all of the conditions precedent to the lending as may be separately agreed upon.
3. We will announce once Interest rate is fixed.
4. If certain requirements including our advance written notice are met during the period between the date of executions of the Debt Financing and the repayment dates indicated above, each of the borrowings is repayable either in whole or in part prior to the maturity date.

(2) Reason for conducting the Debt Financing

The AEON Group has the AEON Sustainability Principle in place. Based on this principle, namely, a policy for the entire group aiming to achieve further progress in the development of the sustainable society, the AEON Group is pursuing a course of sustainable management while addressing its priority agenda, including the “realization of a zero-carbon society,” “conservation of biodiversity,” and “promotion of resource recycling” for the environment. The agenda also includes social issues to be addressed such as the “development of products and stores that are capable of meeting people’s expectations in society,” “embedding respect for human rights across business operations,” and “collaborations with local communities.”

With its basic philosophy of contributing to the enrichment of people's lives and local communities through investment in retail facilities and related properties, the Investment Corporation, which is affiliated with the AEON Group, aims to ensure stable income in the medium to long term by investing in assets that form the backbone of local communities and their lifestyle infrastructure.

In doing so, the Investment Corporation, in collaboration with the AEON Group, seeks to practice the concept of embracing consideration for ESG in all aspects of operations and cooperation with stakeholders to facilitate it.

As part of such efforts, the Investment Corporation has recently decided to raise funds through a jointly operated specified money trust formed by Sumitomo Mitsui Trust Bank, Limited. The program is expected to attract investors who are interested in ESG-oriented investments, diversify the Investment Corporation’s means of financing and enhance its presence in the green finance market.

The amount will be used as the refinancing fund of 3.3 billion yen for repayment of the borrowing of 15.6 billion yen (Note 1), whose maturity date is October 21, 2019. Of the abovementioned borrowing of 15.6 billion yen, 12.3 billion yen, which is the amount after excluding the above 3.3 billion yen to be borrowed, will be refinanced separately (Note 2).

(Note 1) The relevant borrowing was announced in the “Notice Concerning Debt Financing (Determination of Interest Rate) and Conclusion of Interest Rate Swap Agreements on February 25, 2015,” “Notice Concerning Debt Financing (Determination of borrowing amount and Interest Rate)” on February 23, 2016, and “Notice Concerning Debt Financing (Determination of Interest Rate) and Conclusion of Interest Rate Swap Agreements” on October 18, 2016, and “Notice Concerning Debt Financing (Determination of Interest Rate) and Conclusion of Interest Rate Swap Agreements” on March 24, 2017.

(Note 2) For the 12.3 billion yen that will be borrowed separately, refer to the “Notice Concerning Debt Financing (Refinancing of the Existing Loans)” announced on September 26, 2019.

(3) Total amount to be procured, use of proceeds and anticipated disbursement date of the proceeds

(a) Total amount to be procured

¥3.3 billion

(b) Specific use of proceeds

The proceeds from the Debt Financing will be used to fund part of refinancing of the foregoing.

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(c) Anticipated disbursement date
October 21, 2019

In addition, we will announce Status of balance of borrowings and other interest-bearing debt after the Debt Financing are fixed.

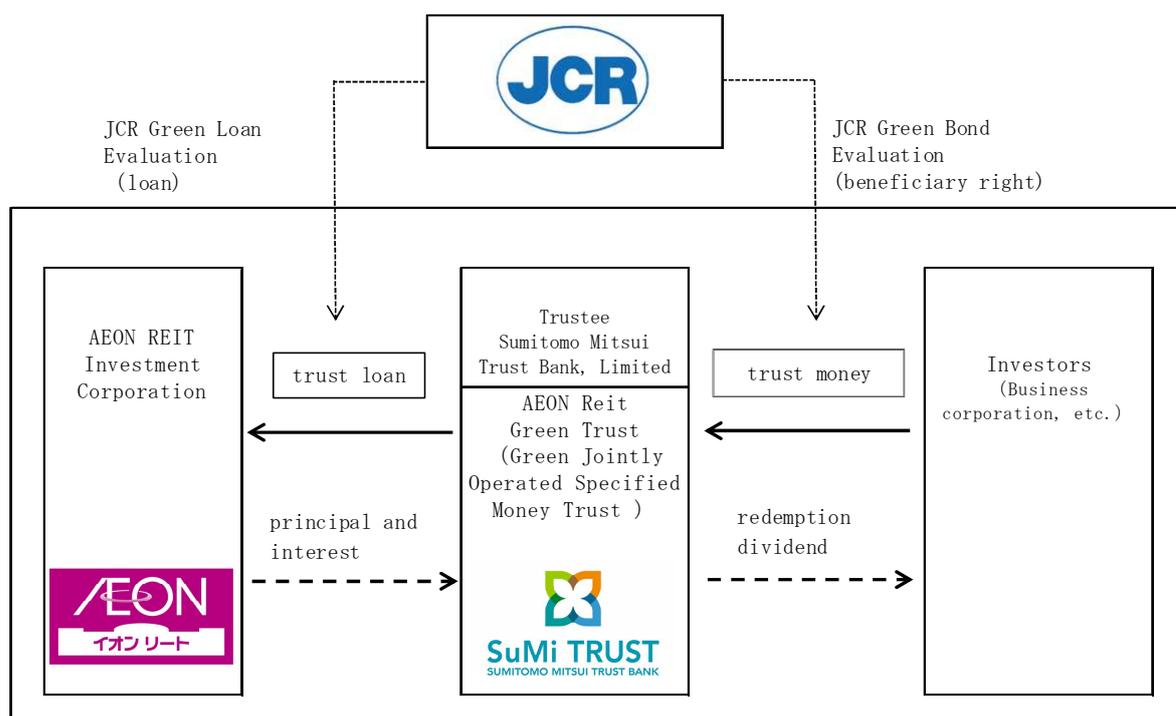
4. AEON Reit Green Trust

The AEON Reit Green Trust is a Green Jointly Operated Specified Money Trust (common name: AEON Reit Green Trust) operated under loans used as funds for the acquisition of, and refinancing, etc., for Green Qualified Assets by the Investment Corporation. It is in compliance with the Green Bond Principles (Note 2), which is international guidelines.

Trust beneficiary rights and loans for the Investment Corporation provided by the AEON Reit Green Trust have obtained the highest Green 1 provisional ratings which showed the highest applicability to the Green Loan Principles (Note 4) in the JCR Green Finance Evaluation (Note 3).

All funds procured through the Debt Financing will be used as refinancing funds for the amount borrowed to acquire AEON MALL Kofu Showa and AEON MALL Kagoshima, which are Green Qualified Assets.

Outline of the scheme



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If the Investment Corporation procures funds through green finance for any project including this matter, it will execute such procurement to the extent that it does not exceed the upper limit of the green finance specified by AEON Reit Management Co. Ltd. (the “Asset Management Company”), which is an asset management company with which the Investment Corporation entrusts the management of its assets.

(Note 1) Green Qualified Assets are defined in the Green Finance Framework of the Investment Corporation (refer to the “Notice Concerning Establishment of Green Finance Framework” announced today) as new or existing assets that have obtained or are expected to obtain DBJ Green Building Certification (higher than a three-star rating), CASBEE Certification (higher than a B-plus rating), BELS Certification (higher than a three-star rating), LEED Certification (Silver, Gold or Platinum rating), and a third party certificate other than the said certifications with their respective equivalent ratings (collectively the “Environmental Certification”). Based on the framework, it is also expected that the Investment Corporation will obtain such certifications proactively and strive to acquire the Environmental Certification through initiatives aimed at improving environmental performance for other assets for which such Environmental Certification has not yet been obtained.

(Note 2) The Green Bond Principles are guidelines formulated by the International Capital Market Association (ICMA). A “Green Bond” refers to a bond issued by institutions, such as investment corporations, companies and local governments, to borrow funds used for green projects that are clearly beneficial to the global environment.

(Note 3) For details on JCR Green Finance Evaluations, visit <https://www.jcr.co.jp/greenfinance/green/> or the Japan Credit Rating Agency website.

(Note 4) The Green Loan Principles are guidelines formulated by the Loan Market Association (LMA) and Asia Pacific Loan Market Association (APLMA), aimed at limiting loans used for environmental fields. The guidelines are comprised of four main items: (i) use of funds, (ii) evaluation of projects and the selection process, (iii) management of funds and (iv) reporting.

(Note 5) In the Asset Management Company, “Green Financing” collectively means borrowings or the issuance of investment corporation bonds to use all borrowed funds for the acquisition of Green Qualified Assets or the refinancing of funds required for the acquisition of Green Qualified Assets.

(Note 6) The upper procurement limit of Green Financing shall be calculated using the following formula: Total acquisition value of Green Qualified Assets × (Borrowings and Investment Corporation Bond Balances / Total Assets). (The upper procurement limit of Green Financing is approximately 102.1 billion yen as of August 31, 2019.)

2. Additional items required to ensure appropriate understanding and judgment by Investors about the information contained herein:

As for risks regarding repayment of the Debt Financing, there are no material changes from the details described in “Section 2. Matters for reference/2. Supplementary information for reference materials/9. Investment risks” mentioned in the securities report submitted on August 20, 2019.

End

*The Investment Corporation’s website: <https://www.aeon-jreit.co.jp/en/index.html>

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