

Daiwa Office Investment Corporation

This translation of the original Japanese notice is provided solely for information purposes. Should there be any discrepancy between this translation and the Japanese original, the latter shall prevail.

March 10, 2011

REIT Issuer:

Daiwa Office Investment Corporation
6-2-1 Ginza, Chuo-ku, Tokyo
Representative: Kazuo Otaka, Executive Director
(Stock Code No.: 8976)

Asset Manager:

Daiwa Real Estate Asset Management Co., Ltd.
Representative: Akira Yamanouchi,
President and Representative Director
Inquiries to: Yoji Ueda,
Director and Head of Finance Department
Tel: 03-6215-9649

Notice concerning Borrowing of Fund

We hereby give notice that Daiwa Office Investment Corporation (the “Investment Corporation”) decided to borrow a fund as outlined below.

1. Reason for Borrowing

The fund is being borrowed as follows to provide for repayment of the long-term loan from Risona Bank, Limited borrowed from March 21, 2008 and the portion of amount to achieve Daiwa Kayabacho Building announced “Notice concerning Acquisition of Assets (Execution of Agreement)” dated March 3, 2011. The Investment Corporation will provide the added borrowings announced in the near future for the rest of amount to achieve Daiwa Kayabacho Building.

2. Borrowing Details

Scheduled Lenders (Note 1)	Loan Amount	Interest Rate (Note 2)	Scheduled Agreement Date	Scheduled Drawdown Date	Borrowing / Repayment Method	Repayment Deadline
Risona Bank, Limited.	4,000 million yen	TBD (floating rate)	March 16, 2011	March 18, 2011	Unsecured Repayment in lump sum	March 18, 2014

(Note 1) The procedure of scheduled lender is yet to be completed as of this date and thus lenders are shown as scheduled lenders.

(Note 2) Another notice will be given once the interest rates are decided.

3. Repayment of Borrowings

Lender	Loan Amount	Repayment Date
Risona Bank, Limited.	2,000 million yen	March 18, 2011
Total	2,000 million yen	

Note: This press release was prepared as a public announcement regarding borrowing of fund and was not prepared with the aim of soliciting investments.

4. Status of Interest-Bearing Liabilities after Drawdown of the Loans and Repayment of the Existing Loan

Please refer to Reference Material for the status of interest-bearing liabilities(*) after drawdown of the loans and repayment of the existing loan.

*Interest-bearing liabilities also include subordinated investment corporation bonds.

5. Other Matters Required for Investors to Appropriately Understand and Evaluate the Above Information

There is no change to the content of the investment risks described “1. Fund Information, 1-1 Status of Fund, 1-1-3 Investment Risk” of the Financial Report filed as of February 24, 2011 with respect to the risks involved in repayment etc.

- End -

[Reference Material]

Balance of Interest-Bearing Liabilities after Drawdown of the Loans and Repayment of the Existing Loan (as of March 18, 2011)

(Unit: million yen)

	Before drawdown and repayment	After drawdown and repayment	Increase/ Decrease
Short-term loans (loan period: 1 year or less)	21,358.75	19,358.75	- 2,000
Long-term loans (loan period: over 1 year) (*)	52,875.625	56,875.625	+ 4,000
Total loans	74,234.375	76,234.375	+ 2,000
Investment corporation bonds	5,000	5,000	0
Subordinated investment corporation bonds	3,500	3,500	0
Total interest-bearing liabilities	82,734.375	84,734.375	+2,000

* Of the long-term loans, there is no balance of the current portion of long-term loans other than amounts to be repaid in 1 year or less.

Ratio of Floating-Rate and Fixed-Rate Interest-Bearing Liabilities (as of March 18, 2011)

(Unit: million yen)

	Aggregate amount	Ratio (aggregate amount as a percentage of the interest-bearing liabilities amount)
Floating-rate interest-bearing liabilities (*)	51,085	60.29%
Fixed-rate interest-bearing liabilities	33,649.375	39.71%

*Of the floating-rate interest-bearing liabilities, the interest rate has been capped for 7,100 million yen through the purchase of an interest rate cap. That portion as a percentage of the interest-bearing liabilities amount is 8.37%. The aggregate amount of interest-bearing liabilities for fixed-rate loans and loans for which the interest rate has been capped through the purchase of an interest rate cap as a percentage of the interest-bearing liabilities amount is 48.09%.

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