

December 22, 2017

REIT Issuer: Daiwa Office Investment Corporation (Stock Code No.: 8976)
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Notice Concerning Borrowing of Funds

We hereby give notice that Daiwa Office Investment Corporation (the “Investment Corporation”) decided today to borrow a total of 39,000 million yen (the “Borrowings”) as follows.

1. Details for the Borrowings

Scheduled Lender	Loan Amount (million yen)	Interest Rate	Scheduled Borrowing Date	Borrowing / Repayment Method	Repayment Date
Sumitomo Mitsui Banking Corporation	12,000	1 month Japanese Yen TIBOR + 0.25% (Note1)	2018/1/11	Unsecured Repayment in lump sum	2018/5/31
Sumitomo Mitsui Trust Bank, Limited	9,000	1 month Japanese Yen TIBOR + 0.25% (Note1)			2018/5/31
Mizuho Bank, Ltd.	9,000	1 month Japanese Yen TIBOR + 0.25% (Note1)			2018/5/31
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	9,000	1 month Japanese Yen TIBOR + 0.25% (Note1)			2018/5/31

(Note 1) Interest payments shall be paid at the end of every month (If any such date is not a business day, the immediately following business day; and if such date falls within the next month, the preceding last business day of the month.) and the repayment date. Interest Rate is calculated based on 1 month Japanese Yen TIBOR which Japanese Bankers Association (“JBA”) announces two business days prior to the first day of the applicable period.

(*) Please refer to the website of JBA TIBOR Administration (<http://www.jbatibor.or.jp/english/rate/>) for Japanese Yen TIBOR.

2. Reason for the Borrowings

The Borrowings will be made accompanying a series of acquisitions and divestments (the “Asset Replacement”) as the Investment Corporation announced on December 19, 2017 in the “Notice Concerning Acquisition of Assets and Lease (CONCURRED Yokohama and Nippon Manpower Building)”, “Notice Concerning Partial Divestment of Asset (Shinjuku Maynds Tower)” and “Notice Concerning Divestment of Asset (Daiwa Meieki Building)”.

The Investment Corporation acquires CONCURRED Yokohama and Nippon Manpower Building before its partial divestment (3/7 co-ownership) of Shinjuku Maynds Tower considering maximization of unitholders’ interest in a period. Therefore the loan by the borrowings will be used for the acquisition of CONCURRED Yokohama.

[Summary of the Asset Replacement]

Assets to Be Acquired	Acquisition Price	Date of Delivery
CONCURRED Yokohama	38,100 million yen*	January 11, 2018*
Nippon Manpower Building	4,200 million yen*	January 12, 2018*
Total	42,300 million yen	

Assets to Be Divested	Sale Price	Date of Delivery
Shinjuku Maynds Tower (3/7 of co-ownership interest)	62,500 million yen*	February 28, 2018*
Daiwa Meieki Building	8,300 million yen	December 20, 2017
Total	70,800 million yen	

(*) Scheduled

3. Date of Signing Contracts

December 22, 2017

4. Status of Interest-Bearing Liabilities after the Borrowings

Please refer to “Reference” for the status of interest-bearing liabilities after the Borrowings.

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

There arises no change to the content of the investment risks described at “1. Fund Information, 1-1 Status of Fund, 1-1-3 Investment Risk” of the Yukashouken Houkokusyo filed as of August 24, 2017 with respect to the risks involved in repayment of the Borrowings.

- End -

[Reference]
(1) Outstanding Balance of Interest-Bearing Liabilities after the Borrowings.

As of January 11, 2018

(Unit: million yen)

	Before the Borrowings	After the Borrowings	Increase/ Decrease
Short-term loans (loan period: 1 year or less) (Note 1)	19,350	58,350	+39,000
Long-term loans (loan period: over 1 year)	179,850	179,850	0
Total loans	199,200	238,200	+39,000
Subordinated investment corporation bonds	5,100	5,100	0
Total interest-bearing liabilities	204,300	243,300	+39,000

(Note 1) The short-term loans include long-term loans to be repaid within 1 year.

(2) Ratio of Floating-Rate and Fixed-Rate Interest-Bearing Liabilities

As of January 11, 2018

(Unit: million yen)

	Aggregate amount of interest-bearing liabilities	Ratio
Floating-rate interest-bearing liabilities	80,000	32.9%
Fixed-rate interest-bearing liabilities*	163,300	67.1%

* Fixed-rate interest-bearing liabilities include debts changed from floating-rate to fixed-rate through swap transactions.

 * Website URL of the Investment Corporation: <http://www.daiwa-office.co.jp/en/>