

For Translation Purposes Only

Real Estate Investment Fund Issuer:
Mori Hills REIT Investment Corporation
(Securities Code: 3234)
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MHR Announces Issuance of Investment Corporation Bond (Green Bond)

Mori Hills REIT Investment Corporation (hereinafter “MHR”) hereby announces that it decided to issue investment corporation bond (green bond) as below.

1. Overview of Investment Corporation Bond

(1) Name of investment corporation bond

MHR Twenty-first Series Unsecured Investment Corporation Bond (subject to a limited pari passu clause between specified investment corporation bonds) (green bond) (hereinafter, “Investment Corporation Bond”).

(2) Total issue amount of the investment corporation bond
2 billion yen

(3) Certificates

The stipulation of the Act on Book Entry of Corporate Bonds and Shares will be applied to the Investment Corporation Bond. Thus, investment corporation bond certificates will not be issued for the Investment Corporation Bond.

(4) Payment price

100 yen per face value of 100 yen for each investment corporation bond

(5) Redemption price

100 yen per face value of 100 yen for each investment corporation bond

(6) Interest rate

0.500% per annum

(7) Investment corporation bond amount

100 million yen per investment corporation bond

(8) Offering method

Primary offering

(9) Subscription period

February 10, 2021

- (10) Payment date
February 22, 2021
- (11) Collateral and guarantee
The Investment Corporation Bond is unsecured and unguaranteed. Furthermore, there is no particular asset retained for the Investment Corporation Bond.
- (12) Redemption method and maturity
The total amount of the Investment Corporation Bond will be redeemed on February 21, 2031.
Redemption by purchase of Investment Corporation Bond by MHR is allowed at any time starting on the day following the payment date, unless otherwise specified by the book-entry transfer institution mentioned under (16) below.
- (13) Interest payment date
The first payment date will be August 22, 2021, and thereafter on February 22 and August 22 of each year.
(If the interest payment date is a bank holiday, then the bank business day preceding it shall be deemed as the interest payment date.)
- (14) Special financial condition
Negative pledge clause is applicable.
- (15) Credit rating
Japan Credit Rating Agency, Ltd.: AA
- (16) Book-entry transfer institution
Japan Securities Depository Center, Inc.
- (17) Fiscal agent, issuing agent and paying agent
The Norinchukin Bank
- (18) Underwriting securities companies
SMBC Nikko Securities Inc.
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
Daiwa Securities Co., Ltd.

2. Reason for Issuance

In order to promote the environmental initiatives and contribute to the realization of a sustainable society, MHR decided to issue the Investment Corporation Bond to procure investment funds for projects that are conscious of the environment.

The Investment Corporation Bond is issued based on “Structure of MHR’s Green Bonds” described in the press release “MHR Announces Submission of Revised Shelf Registration Statement for Issuance of Green Bonds” dated on October 29, 2020.

3. Amount of Funds to be Procured, Use of Funds and Planned Expenditure Period

(1) Amount of funds to be procured (estimated paid-in amount): 1,983 million yen

(2) Specific use of funds to be procured and planned expenditure period

It will be allocated to part of funds for redemption of MHR Eleventh Series Unsecured Investment Corporation Bond of 2,000 million yen with the redemption date arriving on February 24, 2021.

4. Investors Who Declared Intention to Invest in the Investment Corporation Bond
Listed below in Japanese syllabary order are investors to date who declared their intention of investment in the Investment Corporation Bond and agreed to disclose their names.

- Aoi Mori Shinkin Bank
- The Kita Osaka Shinkin Bank
- GUNMAMIRAI Shinkumi Bank
- The SAGAMI Shinkin Bank
- SHIZUOKA YAIZU SHINKIN BANK
- Suwa Shinkin Bank
- TOKUSHIMA SHINKIN BANK
- LIFENET INSURANCE COMPANY

5. Borrowings, etc. after the Issuance of Investment Corporation Bond

(unit: millions of yen)

	Before the Issuance	After the Issuance	Change
Long-term loans payable	167,422	167,422	0
Investment corporation bonds	17,000	17,000	0
Total interest-bearing debt	184,422	184,422	0

(Note 1) Indicates the borrowings, etc. as of February 24, 2021 after the issuance of the Investment Corporation Bonds (after redemption of the Existing Investment Corporation Bond mentioned under 3. (2) above).

(Note 2) Long-term loans payable and investment corporation bonds include the current portion of long-term loans payable and investment corporation bonds within a year.

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

As for risks regarding redemption of Investment Corporation Bond, etc. there are no material changes from the content of the investment risks indicated in the Semiannual Securities Report (Japanese) for the twenty-eighth fiscal period (ended July 31, 2020) submitted on October 28, 2020.

- MHR's website: <https://www.mori-hills-reit.co.jp/en/>