

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 agreements on borrowings (hereafter “Borrowings”).

1. Purpose of Borrowings

To be used as part of funds for acquisitions of “Roppongi Hills Mori Tower” and “ARK Hills South Tower” to be acquired on August 1, 2014 (hereafter “Assets to be Acquired”) (Note).

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

2. Details of Borrowings

(1) Short-term loans payable (maturity of 4 months)

- a) Lenders (anticipated): Mizuho Bank, Ltd., The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Sumitomo Mitsui Banking Corporation and Sumitomo Mitsui Trust Bank, Limited
- b) Borrowing amount: 2,000 million yen
- c) Interest rate: Base Interest Rate (1-month JBA Japanese Yen TIBOR) (Note 1) + 0.15%
- d) Scheduled drawdown date: August 1, 2014
- e) Interest payment date: The first payment date shall be the last day of August 2014 and subsequent payment dates shall be the last day of every month thereafter (Note 2). The last payment date shall be the principal repayment date.
- f) Principal repayment date: November 30, 2014 (Note 2)
- g) Method of repayment: To be repaid in full on the principal repayment date
- h) Collateral: Unsecured/Unguaranteed

(2) Long-term loans payable (maturity of 5 years and 10 months)

- a) Lenders (anticipated): Mizuho Bank, Ltd., The Bank of Tokyo-Mitsubishi UFJ, Ltd., Mitsubishi UFJ Trust and Banking Corporation, Sumitomo Mitsui Banking Corporation, Sumitomo Mitsui Trust Bank, Limited and Resona Bank, Limited.
- b) Borrowing amount: 5,000 million yen

Note:
This document is a press release regarding the borrowings, and has not been prepared as an inducement or invitation for investment.

- c) Interest rate: Base Interest Rate (1-month JBA Japanese Yen TIBOR) (Note 1) + 0.30%
- d) Scheduled drawdown date: August 1, 2014
- e) Interest payment date: The first payment date shall be the last day of August 2014 and subsequent payment dates shall be the last day of every month thereafter (Note 2). The last payment date shall be the principal repayment date.
- f) Principal repayment date: May 31, 2020 (Note 2)
- g) Method of repayment: To be repaid in full on the principal repayment date
- h) Collateral: Unsecured/Unguaranteed

(Note 1) Base interest rates to be applied on will be the 1-month JBA Japanese Yen TIBOR (0.14636% as of today) announced by the Japanese Bankers Association two business days prior to the last day of each month (first 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) However, if such 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: 7,000 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: 7,000 million yen
- c) Scheduled payment period: August 1, 2014

4. Borrowings, etc. after the Borrowings

(unit: millions of yen)

	Before the Borrowings	After the Borrowings	Change
Short-term loans payable	0	2,000	2,000
Long-term loans payable	101,200	106,200	5,000
Total loans payable	101,200	108,200	7,000
Investment corporation bonds	25,000	25,000	0
Total of loans payable and investment corporation bonds	126,200	133,200	7,000
Total interest-bearing debt	126,200	133,200	7,000

(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 fifteenth fiscal period submitted on April 28, 2014 as a result of the Borrowings.

- 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/>

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