

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 (hereinafter “MHR”) resolved at its Board of Directors Meeting held today the following with regard to agreements on borrowings (hereinafter “Borrowings”).

1. Purpose of Borrowings

To be used as refinancing of 1,978 million yen in short-term loans payable due May 31, 2013 (hereinafter “Existing Short-Term Loans payable”) (Note).

(Note) Please refer to the press release “MHR Announces Information on Borrowings” dated May 25, 2012 for details.

2. Details of Borrowings

Long-term loans payable (maturity of 4 years)

- |                              |   |
|------------------------------|---|
| a) Lenders (planned):        | Sumitomo Mitsui Trust Bank, Limited   |
| b) Borrowing amount:         | 1,978 million yen   |
| c) Interest rate:            | Base Interest Rate (1-month JBA Japanese Yen TIBOR)<br>(Note 1) + 0.25% (Note 2)  |
| d) Scheduled drawdown date:  | May 31, 2013  |
| e) Interest payment date:    | The first payment date shall be the last day of June 2013 and subsequent payment dates shall be the last day of every month thereafter (Note 3). The last payment date shall be the principal repayment date. |
| f) Principal repayment date: | May 31, 2017 (Note 3)   |
| 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 (0.15000% as of today) announced by the Japanese Bankers Association two business days prior the last day of each month (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 the Japanese Bankers Association (<http://www.zenginkyo.or.jp/tibor/>).

(Note 2) MHR plans to convert interest rate payments to a virtual fixed rate by concluding an interest rate swap agreement separately.

(Note 3) 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 to be Procured, Specific Use of Funds and Planned Payment Period

- (1) Amount of funds to be procured: 1,978 million yen
- (2) Specific use of funds to be procured and planned payment period
  - a) Specific use of funds to be procured: Allocation to the refinancing of the Existing Short-term Loans payable
  - b) Amount: 1,978 million yen
  - c) Planned payment period: May 31, 2013

### 4. Borrowings, etc. after the Borrowings

(unit: millions of yen)

|   | Before the Borrowings | After the Borrowings | Change  |
|---|-----------------------|----------------------|---------|
| Short-term loans payable                                | 2,978                 | 1,000                | (1,978) |
| Long-term loans payable                                 | 88,847                | 90,762.5             | 1,915.5 |
| Total loans payable                                     | 91,825                | 91,762.5             | (62.5)  |
| Investment corporation bonds                            | 25,000                | 25,000               | 0       |
| Total of loans payable and investment corporation bonds | 116,825               | 116,762.5            | (62.5)  |
| Total interest-bearing debt                             | 116,825               | 116,762.5            | (62.5)  |

(Note 1) Long-term loans payable include the current portion of long-term loans payable.

(Note 2) The decrease in change of long-term loans payable of 62.5 million yen reflects a previously agreed repayment of principal to the Development Bank of Japan Inc. during the period.

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

There are no changes to the content of "Investment Risks" indicated in the Semiannual Securities Report (Japanese) for the thirteenth fiscal period submitted on April 26, 2013 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/>