

For Immediate Release

Real Estate Investment Trust Securities Issuer
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Notice Concerning Signing of Interest Rate Swap Agreement

Tosei Reit Investment Corporation (“Tosei Reit”) announces that, concerning the borrowing of funds which is Term Loan (period: 3 years), Term Loan (period: 4 years) and Term Loan (period: 5 years) announced in the press release “Notice Concerning Debt Financing” dated November 28, 2014, it reached an agreement with the counterparty to conclude an interest rate swap agreement (the “Interest Rate Swap Agreement”) today as described below.

1. Reason to Conclude the Interest Rate Swap Agreement

Tosei Reit seeks to hedge the risks of interest rate fluctuations by fixing the interest rate for the borrowed amounts in Term Loan (period: 3 years), Term Loan (period: 4 years) and Term Loan (period: 5 years) through to the principal repayment date of each loan.

2. Overview of the Interest Rate Swap Agreement

“Term Loan (period: 3 years)”

(1) Counterparty	Bank of Tokyo-Mitsubishi UFJ, Ltd.
(2) Notional principal	JPY2,000,000,000
(3) Interest rates	Fixed interest rate payable: 0.5260% Floating interest rate receivable: (JBA 1 month JPY TIBOR) +0.400%
(4) Commencement date	August 31, 2015
(5) Termination date	November 30, 2017
(6) Interest payment dates	Fixed interest rate payable and floating interest rate receivable are due on the last day of each month through to the principal repayment date for Term Loan (period: 3 years) and the principal repayment date, with the first payment date on September 30, 2015 (or the following business day if such date is a non-business day, or the immediately preceding business day if such date is on the next month).

(Note) The Interest Rate Swap Agreement will, in effect, fix the interest rate for the Term Loan (period: 3 years) at 0.5260% until the principal repayment date.

“Term Loan (period: 4 years)”

(1) Counterparty	Bank of Tokyo-Mitsubishi UFJ, Ltd.
(2) Notional principal	JPY2,000,000,000
(3) Interest rates	Fixed interest rate payable: 0.7435% Floating interest rate receivable: (JBA 1 month JPY TIBOR) +0.600%
(4) Commencement date	August 31, 2015
(5) Termination date	November 30, 2018
(6) Interest payment dates	Fixed interest rate payable and floating interest rate receivable are due on the last day of each month through to the principal repayment date for Term Loan (period: 4 years) and the principal repayment date, with the first payment date on September 30, 2015 (or the following business day if such date is a non-business day, or the immediately preceding business day if such date is on the next month).

(Note) The Interest Rate Swap Agreement will, in effect, fix the interest rate for the Term Loan (period: 4 years) at 0.7435% until the principal repayment date.

“Term Loan (period: 5 years)”

(1) Counterparty	Bank of Tokyo-Mitsubishi UFJ, Ltd.
(2) Notional principal	JPY2,000,000,000
(3) Interest rates	Fixed interest rate payable: 0.8860% Floating interest rate receivable: (JBA 1 month JPY TIBOR) +0.700%
(4) Commencement date	August 31, 2015
(5) Termination date	November 29, 2019
(6) Interest payment dates	Fixed interest rate payable and floating interest rate receivable are due on the last day of each month through to the principal repayment date for Term Loan (period: 5 years) and the principal repayment date, with the first payment date on September 30, 2015 (or the following business day if such date is a non-business day, or the immediately preceding business day if such date is on the next month).

(Note) The Interest Rate Swap Agreement will, in effect, fix the interest rate for the Term Loan (period: 5 years) at 0.8860% until the principal repayment date.

* This material is distributed to the press club of the Tokyo Stock Exchange (Kabuto Club), the press club of the Ministry of Land, Infrastructure, Transport and Tourism, and the press club for construction trade publications of the Ministry of Land, Infrastructure, Transport and Tourism.

* Tosei Reit Investment Corporation website: <http://www.tosei-reit.co.jp/en/>