



January 30, 2020

For immediate release

Real Estate Investment Trust Securities Issuer:
ITOCHU Advance Logistics Investment Corporation
3-6-5 Kojimachi, Chiyoda-ku, Tokyo, Japan
Representative: Junichi Shoji, Executive Director
(Securities Code: 3493)

Asset Management Company:
ITOCHU REIT Management Co., Ltd.
Representative: Junichi Shoji, Representative Director,
President & CEO
Inquiries: Keiichi Yoshida, Director and CFO
TEL: +81-3-3556-3901

Notice Concerning Execution of Interest Rate Swap Transactions

ITOCHU Advance Logistics Investment Corporation (“IAL”) announces that, with respect to a part of the borrowing of funds (“Borrowing”) disclosed in a release dated January 24, 2020, entitled “Notice Concerning Borrowing of Funds including Green Loan (Reduction of Borrowing Amount and Finalization of Borrowing Terms and Conditions),” IAL executed interest rate swap transactions today, as follows:

1. Reasons for executing interest rate swap transactions

The interest swap transactions were executed in order to hedge interest rate fluctuation risks by securing fixed interest rates for future interest payment on floating-rate long-term loans to be newly borrowed on February 3, 2020, in an amount of JPY 5,700 million in total.

(Note) For details of such loans, please refer to “3. Borrowing for which interest rate swap agreements were executed” below.

2. Overview of the interest rate swap agreements

Category	Counterparty	Notional Principal (Millions of yen)	Interest Rate		Start Date	Termination Date
			Fixed interest rate to be paid	Floating interest rate to be received		
Loan-1	Nomura Securities Co., Ltd.	1,750	0.03800%	Three-month JBA Japanese yen TIBOR (Note)	February 3, 2020	January 31, 2023
Loan-2	Nomura Securities Co., Ltd.	3,950	0.03400%	Three-month JBA Japanese yen TIBOR (Note)	February 3, 2020	February 3, 2025

(Note) The three-month Japanese yen TIBOR (calculated on a 365-day basis) announced by the TIBOR Administration of the Japan Bankers Association (JBA), which can be checked on the TIBOR Administration’s website (<http://www.jbatibor.or.jp/english/>).

Note: This press release is intended to disclose to the public the execution of interest rate swap agreements by IAL, and is not an offer to sell or a solicitation of any offer to buy the securities of IAL in the United States or elsewhere. Any investment decision should be made based upon your own judgement.
This press release does not constitute an offer of securities in the United States of America. The investment units have not been, and will not be, registered under the United States Securities Act of 1933 (the “Securities Act”). The investment units may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The investment units referred to above will not be offered.



3. Borrowing for which interest rate swap transactions were executed

Category	Lender	Borrowing Amount (Millions of yen)	Interest Rate (post-swap effective rate)	Borrowing Date	Borrowing Method	Repayment Date	Repayment Method	Collateral
Loan-1	Sumitomo Mitsui Banking Corporation; Sumitomo Mitsui Trust Bank, Limited; Mizuho Bank, Ltd.; MUFG Bank, Ltd.; The Norinchukin Bank; and The Bank of Fukuoka, Ltd.	1,750	0.13800% (Note 1)	February 3, 2020	Loan agreement executed on January 30, 2020 with lenders shown at left	January 31, 2023	Bullet repayment	Unsecured and non-guaranteed
Loan-2	Sumitomo Mitsui Banking Corporation; Sumitomo Mitsui Trust Bank, Limited; Mizuho Bank, Ltd.; MUFG Bank, Ltd.; Mizuho Trust & Banking Co., Ltd.; The Norinchukin Bank; The Bank of Fukuoka, Ltd.; and Shinsei Bank, Limited	3,950	0.27400% (Note 2)	February 3, 2020	Loan agreement executed on January 30, 2020 with lenders shown at left	February 3, 2025	Bullet repayment	Unsecured and non-guaranteed

(Note 1) The figure indicates an interest rate after taking into consideration the effect of interest rate swap transactions as disclosed in this release.

An interest rate before taking into consideration the effect of the interest swap transactions is: base interest rate + 0.100%.

(Note 2) The figure indicates an interest rate after taking into consideration the effect of interest rate swap transactions as disclosed in this release.

An interest rate before taking into consideration the effect of the interest swap transactions is: base interest rate + 0.240%.

4. Future outlook

Because the impact caused by the aforementioned change is not material, there are no revisions to the forecast of financial results for the fiscal periods ending July 2020 and January 2021, as disclosed in IAL's release dated January 6, 2020, entitled "Notice Concerning Revisions to the Forecasts of Financial Results for the Fiscal Period Ending July 2020 and the Forecasts of Financial Results for the Fiscal Period Ending January 2021."

End

IAL's corporate website: <https://www.ial-reit.com/en/>

Note: This press release is intended to disclose to the public the execution of interest rate swap agreements by IAL, and is not an offer to sell or a solicitation of any offer to buy the securities of IAL in the United States or elsewhere. Any investment decision should be made based upon your own judgement.
This press release does not constitute an offer of securities in the United States of America. The investment units have not been, and will not be, registered under the United States Securities Act of 1933 (the "Securities Act"). The investment units may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The investment units referred to above will not be offered.