

January 7, 2020

To All Concerned Parties

Name of REIT Issuer:
 CRE Logistics REIT, Inc.
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 Tsuyoshi Ito, Executive Director
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Notice Concerning Conclusion of Interest Rate Swap Agreement

CRE Logistics REIT, Inc. (hereinafter “CRE REIT”) announced today that it has concluded an interest rate swap agreement on borrowings announced today in the “Notice Concerning Borrowing of Funds.”

1. Reason for entering into the Interest Rate Swap Agreement

The interest rate swap agreement was concluded to hedge interest volatility risk by fixing future interest rates on long-term loans payable of 5,600 million yen and long-term loans payable of 3,400 million yen at a floating interest rate scheduled to be taken out on February 3, 2020.

(Note) For details of the above loans, please refer to the “Notice Concerning Borrowing of Funds” released today.

2. Details of the Interest Rate Swap Agreement

Counterparty	Notional principal (Million yen)	Interest rate (Note 1)		Commencement date	Termination date
		Fixed interest rate payable	Floating interest rate receivable		
Sumitomo Mitsui Trust Bank, Limited	5,600	0.120% (Note 2)	JBA three-month Japanese yen TIBOR	February 3, 2020	January 31, 2025
	3,400	0.139% (Note 3)	JBA three-month Japanese yen TIBOR	February 3, 2020	January 30, 2026

(Note 1) The first interest payment date is April 30, 2020, and the subsequent interest payment dates are the last days of every three months thereafter. The final interest payment date is the termination date.

(Note 2) Under the interest rate swap agreement, the interest rate on long-term loans payable of ¥5,600 million is effectively fixed at 0.570%. The fourth decimal place is rounded off.

(Note 3) Under the interest rate swap agreement, the interest rate on long-term loans payable of ¥ 3,400 million is effectively fixed at 0.639%. The fourth decimal place is rounded off.

3. Future Outlook

The impact of this matter has already been incorporated in the operating results forecasts for the fiscal period ending June 30, 2020 and the fiscal period ending December 31, 2020 announced in the “Notice Concerning Revision of Forecasts of Operating Results for the Period ending June 30, 2020 and Forecasts of Operating Results for the Period ending December 31, 2020” released today.

* CRE Logistic REIT, Inc. website: <https://cre-reit.co.jp/en/>