

July 8, 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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 Asset Management Company
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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 some of borrowings announced on June 29, 2020 in the “Notice Concerning Borrowing of Funds (New Borrowing and Refinancing).”

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 7,100 million yen of 7,400 million yen at a floating interest rate scheduled to be taken out on July 13, 2020 and long-term loans payable of 2,550 million yen at a floating interest rate after refinancing to be conducted on July 31, 2020.

(Note) For details of the above loans, please refer to the “Notice Concerning Borrowing of Funds (New Borrowing and Refinancing)” released on June 29, 2020.

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	7,100	0.108% (Note 2)	JBA three-month Japanese yen TIBOR	July 13, 2020	July 31, 2026
Nomura Securities Co., Ltd.	2,550	0.124% (Note 3)	JBA three-month Japanese yen TIBOR	July 31, 2020	January 29, 2027

(Note 1) The first interest payment date is October 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 ¥7,100 million is effectively fixed at 0.608%. The fourth decimal place is rounded off.

(Note 3) Under the interest rate swap agreement, the interest rate on long-term loans payable of ¥2,550 million is effectively fixed at 0.649%. The fourth decimal place is rounded off.

3. Future Outlook

The impact of this matter is immaterial, and the operating results forecasts for the fiscal period ending December 31, 2020 and the fiscal period ending June 30, 2021 announced in the “Notice Concerning Revision of Forecasts of Operating Results for the Period ending December 31, 2020 and Forecasts of Operating Results for the Period ending June 30, 2021” released on June 29, 2020 remain unchanged.

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