



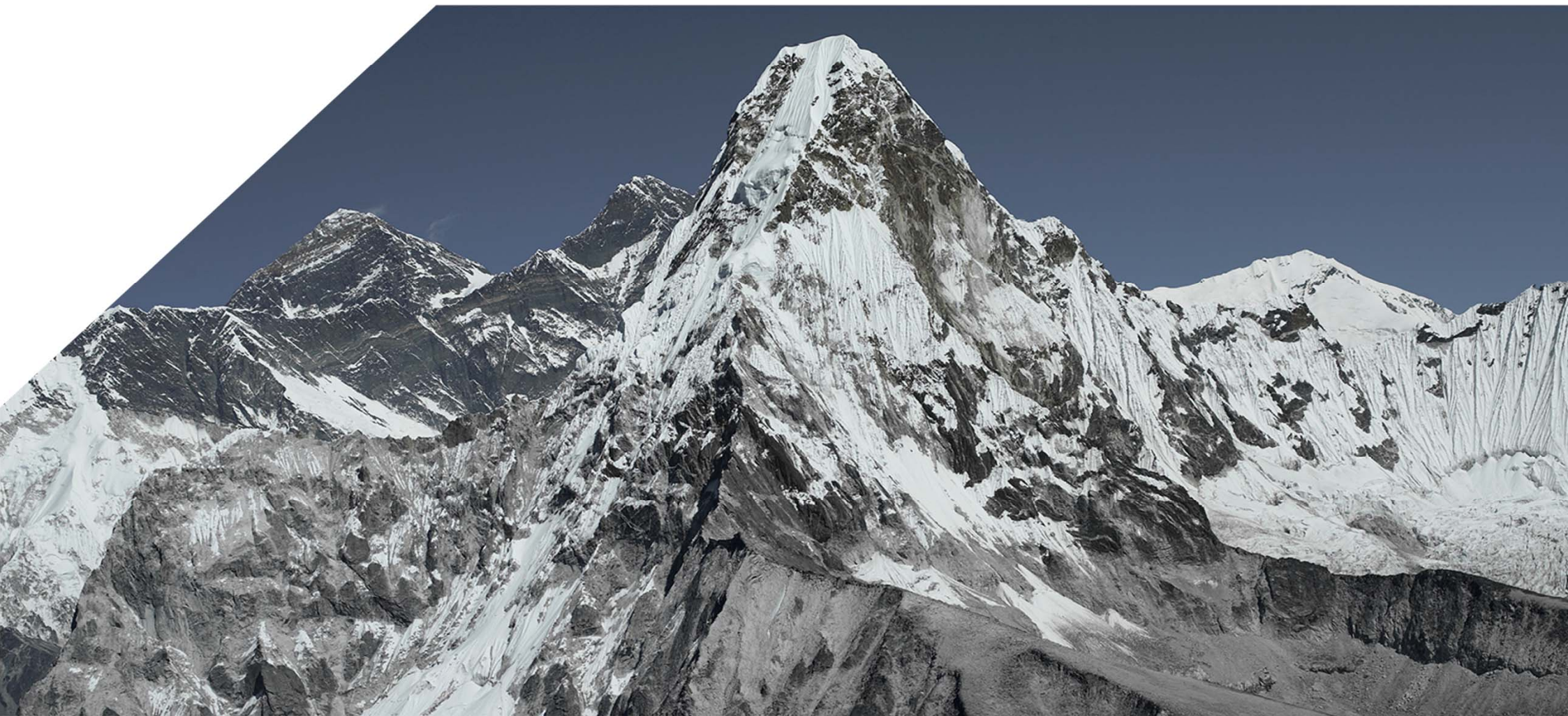
Invesco Office J-REIT Investment Corporation (3298)

Supplemental Information Regarding “Notice Concerning Filing of Shelf Registration Statement and Blanket Resolution for Issuance of Investment Corporation Bonds” released on February 27, 2017

Invesco Global Real Estate Asia Pacific, Inc.

February 27, 2017

<http://www.invesco-reit.co.jp/>



Future financial strategy



- By adding issuance of investment corporation bonds as a method of funding, IOJ considers aiming to 1) diversify methods of funding, 2) reduce funding cost, and 3) prolong funding period and simultaneously improves stability of funding in mid- to long-term.

**Maximizing know-how on finance and real estate of Invesco,
one of the global independent investment management firms**

Taking market environment and IOJ's financial situation into consideration and examining most appropriate timing and methods for funding

Expected result from issuance of investment corporation bond

**1) Diversifying
methods of funding**

**2) Reducing funding
cost**

**3) Prolonging
funding period**

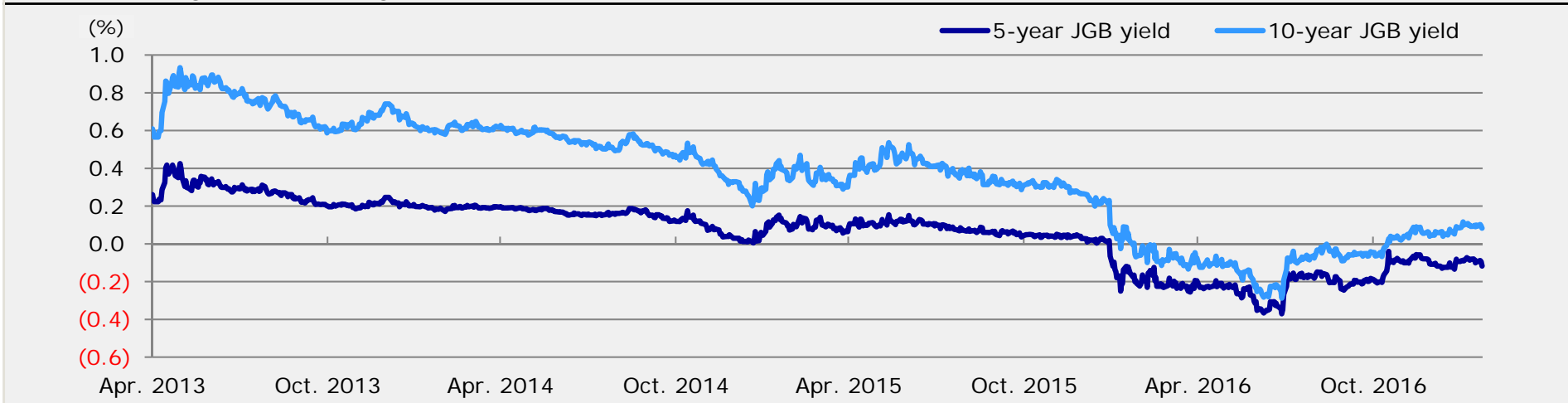
✓ Improving stability of funding in mid- to long-term

Market environment (Interest Rate Trend)



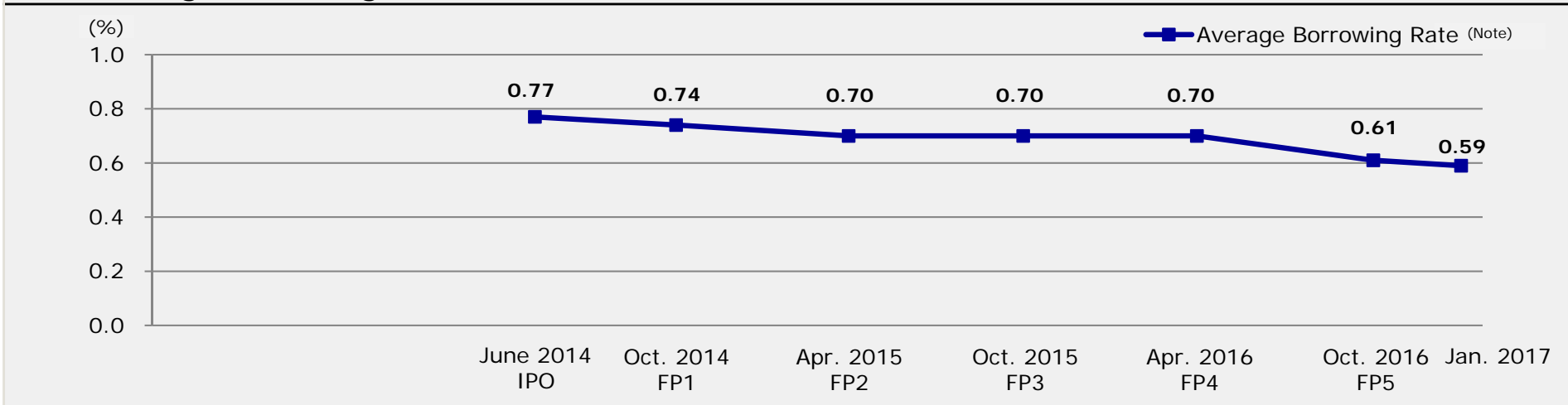
- IOJ's average borrowing rate remains in low level and continues to go down reflecting the trend of bond market.

Historical 5-year and 10-year JGB Yield



Source: Bloomberg

IOJ's Average Borrowing Rate



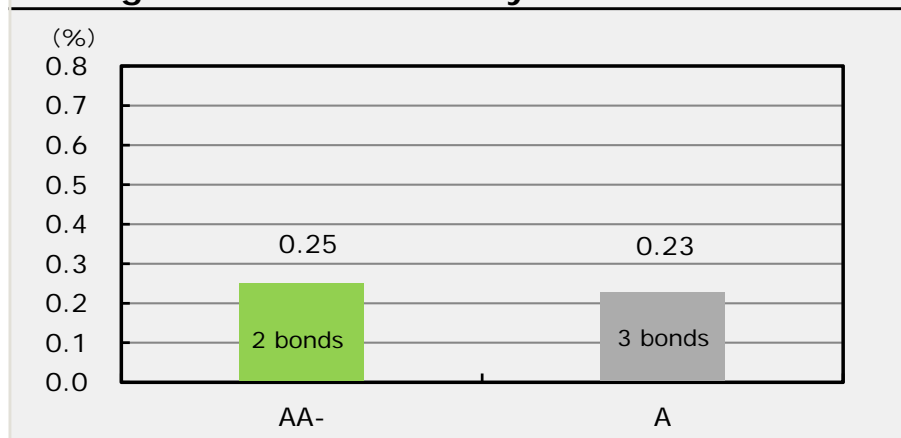
(Note) Average borrowing rate is calculated by using the weighted average of existing borrowing rate for the each fiscal period.

Decrease in funding cost and prolongation in funding period

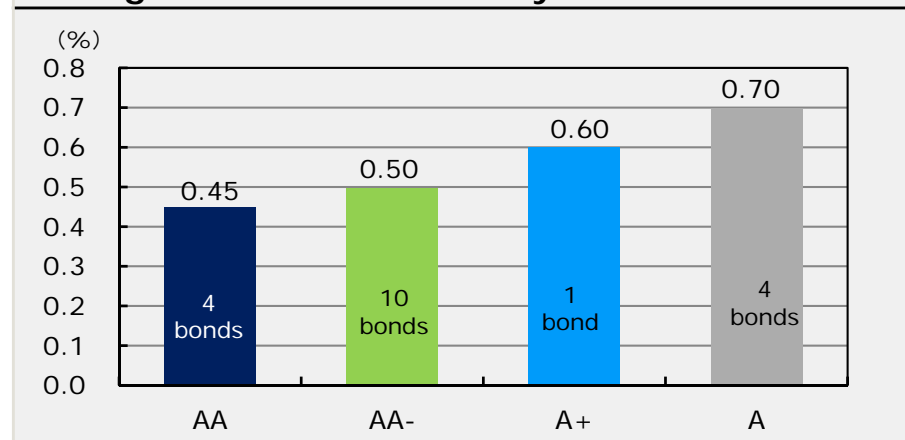


- The graph on the left side below shows the average interest rate for 5-year bond issued by listed J-REITs from January 2016 to February 17, 2017.
- For 10-year investment corporation bonds issued during the same period above, average interest rate decreases by approximately 0.05-0.1% in accordance with credit rating goes up one notch. (shown in the graph on the right side below)

Average interest rate for 5-year bond(Note1) (Note2)



Average interest rate for 10-year bond(Note1) (Note2)



(Note1) Calculated by the asset management company by information of listed J-REITs with credit ratings from JCR which are disclosed from January 2016 to February 17, 2017.

(note2) Average interest rates are simple average of interest rates for investment corporation bonds of listed J-REITs with each ratings which were issued from January 2016 to February 17, 2017, and rounded off to two decimals. Amount of issuance, timing of issuance, and market changes are not considered.

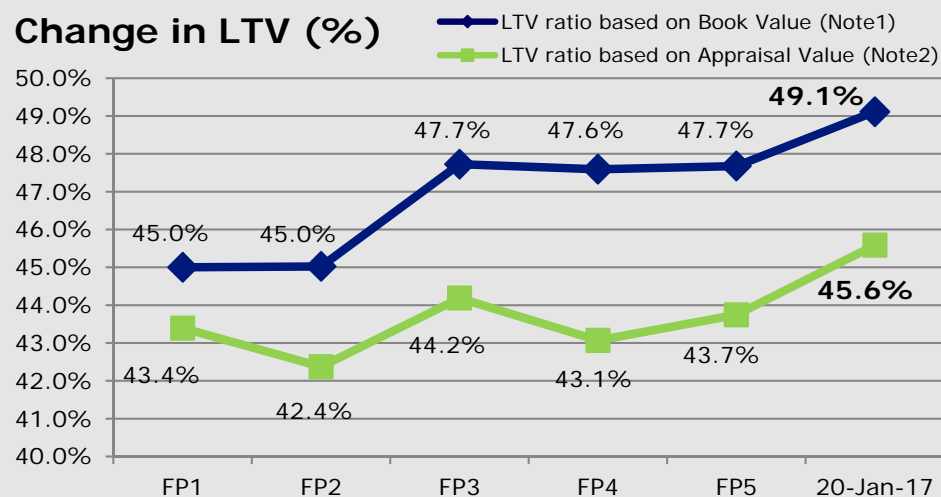
- IOJ acquired the long term issuer rating (Rating: A+, Rating Outlook: Stable) from Japan Credit Rating Agency, Ltd. (JCR) on October 11, 2016.
- IOJ's average interest rate is 0.59% and average remaining period to maturity date is 2.4 years as of January 20, 2017. By combining investment corporation bonds with different terms of maturity, IOJ considers aiming to improve its financial stability in line with prolonging funding period and decreasing interest cost, and furthermore increase DPU amount.

Financial Summary of IOJ

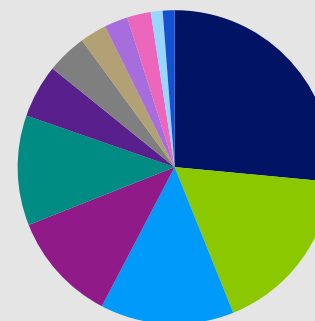


As of January 20, 2017

Change in LTV (%)



Lenders

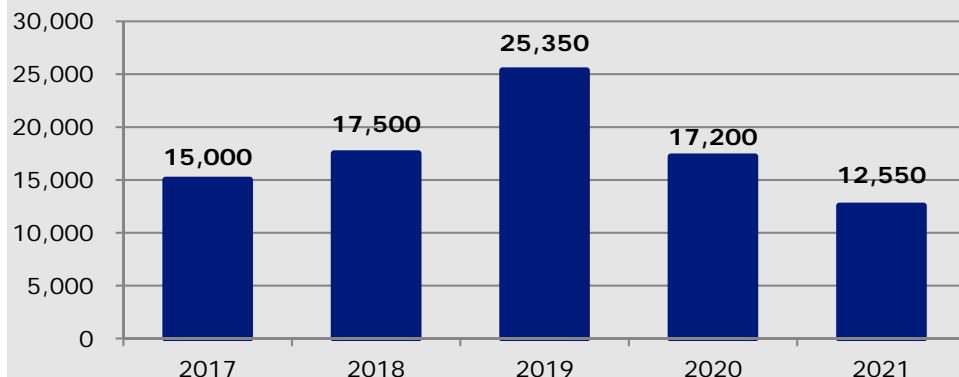


Lender	Share (%)	Balance (¥bn)
Sumitomo Mitsui Banking Corporation	28%	24.85
The Bank of Tokyo-Mitsubishi UFJ	17%	15.10
Mizuho Bank	15%	12.90
Sumitomo Mitsui Trust Bank	11%	9.30
Resona Bank	11%	9.30
Development Bank of Japan	5%	4.50
Mitsubishi UFJ Trust and Banking Corporation	4%	3.40
Shinsei Bank	3%	2.25
Aozora Bank	2%	2.00
The Bank of Fukuoka	2%	2.00
ORIX Bank Corporation	1%	1.00
The Nishi-Nippon City Bank	1%	1.00

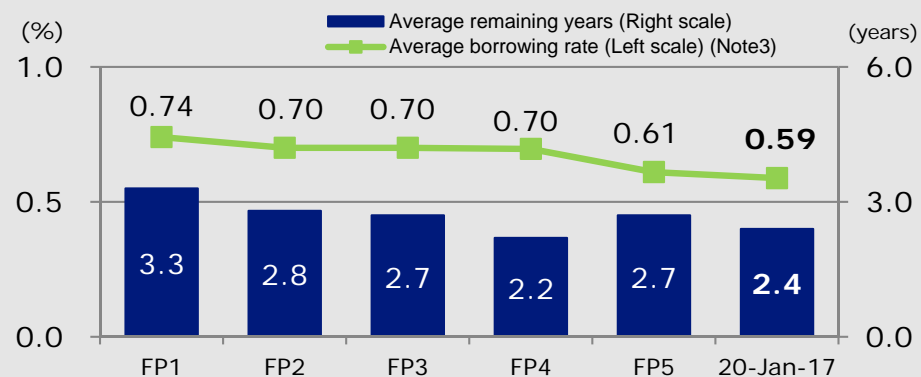
Number of Lenders: 12

Total Balance of Borrowing JPY 87.6bn

Diversification in debt maturity (¥mm)



Historical average of interest rate and maturity



LTV (based on book value)	Interest-Bearing Debt	Average Remaining Years
49.1%	¥87.6bn	2.4 years
Debt Capacity to LTV 50%	Average Borrowing Rate	Credit Rating (JCR)
¥3.2bn	0.59%	A+ (Stable)

(Note 1) Book value LTV = Total debt / Total assets.

(Note 2) Appraisal value LTV = Total debt / (Total assets + Unrealized gain of existing portfolio).

(Note 3) Average borrowing rate is calculated by using the weighted average of existing borrowing rate for the each fiscal period.

(For reference only) About Invesco Group



Invesco Group is a leading independent global investment management firm, dedicated to helping investors worldwide achieve their financial objectives. By delivering the combined power of our distinctive investment management capabilities, Invesco Group provides a wide range of investment strategies and vehicles to our clients around the world.

1. Independent firm focused on investment management

- ✓ Asset under Management : USD812.9bn (JPY 69.7tn) ^(Note1)
- ✓ More than 750 dedicated investment professionals ^(Note2) worldwide in 20 countries

2. Global Presence

- ✓ Publicly traded on NYSE; market cap of over \$12 billion
- ✓ Holding Company, Invesco, Ltd. is S&P 500 constituent

3. Client Focus

- ✓ An "investor first" mindset and commitment to helping clients pursue their financial goals

Credit Ratings of Holding Company, Invesco, Ltd.

Rating Company	Rating
Moody's Investors Service	A2 Stable
Standard & Poor's	A Stable
Fitch Ratings	A- Positive

Financial Data (Invesco, Ltd. / consolidated basis)

	2016	2015	2014	2013	2012	2011
Operating Data						
Operating revenues (\$ in millions)	4,734	5,123	5,147	4,645	4,050	3,982
Year on Year	Δ7.6%	Δ0.5%	10.8%	14.7%	1.7%	17.6%
Operating income (\$ in millions)	1,176	1,358	1,277	1,120	843	882
Operating margin	24.80%	26.50%	24.80%	24.10%	20.80%	22.20%
Net income (\$ in millions)	854	968	988	940	677	730
Per Share Data						
Diluted EPS (\$)	2.06	2.26	2.27	2.1	1.49	1.57
Balance Sheet Data						
Total assets (\$ in millions)	25,734	25,073	20,450	19,257	17,487	19,346
Total equity (\$ in millions)	7,504	7,885	8,326	8,393	8,317	8,119
Other Data						
Ending AUM (\$ in billions)	812.9	775.6	792.4	778.7	667.4	607.3
Average AUM (\$ in billions)	788.8	794.7	790.3	725.6	645.3	617.8
Headcount (Employees)	6,790	6,490	6,264	5,932	5,889	5,917

Source: Invesco group data as of December 31, 2016

(Note 1) As of December 31, 2016 and \$1 = ¥116.63.

(Note 2) Investment professionals include investment managers, traders, strategists, and economists.

(Note 3) For more detailed information regarding Invesco Group, please refer to www.invesco.com.

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