



April 4, 2005

To whom it may concern:

Japan Real Estate Investment Corporation
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Announcement of Additional Public Offering of Units

Please be informed that Japan Real Estate Investment Corporation (the “Corporation”) will make an additional public offering of new units as resolved by the Board of Directors at a meeting held on April 4, 2005.

1. Public offerings of new units

- (1) Number of units to be newly issued : 85,000 units
- (2) Issue value : To be determined
(Issue value shall be determined at the Board of Directors meeting held on a date from April 18, 2005 (Mon) to April 20, 2005 (Wed) (hereinafter referred to as “price determination date”). Issue value means the value per unit the Corporation receives from underwriters.)
- (3) Subscription Method : The additional new units shall be publicly offered through bought deal. An underwriting syndicate lead-managed by Nikko Citigroup Limited shall buy all newly issued units from the Corporation. Underwriters other than Nikko Citigroup Limited will be determined in the beginning of April 2005.
In addition, the publicly subscribed issue price (offering price) shall be tentatively set at the product of the closing price of a unit traded on the the Tokyo Stock Exchange on the price determination date (or nearest date if the closing price is not available on such given date), multiplied by a conversion factor of 0.90 – 1.00 (fractions omitted), and then finally determined taking into account the demand forecast.
- (4) Underwriting agreement : Underwriters shall make payment of the aggregate amount of underwriting value (issue value) to the Corporation on the payment date. The price difference between issue price and issue value shall be the proceeds of each underwriter, and the Corporation will not pay an underwriting fee to underwriters.
- (5) Demand forecast (bookbuilding) period :
April 12, 2005 (Tue)
Through April 20, 2005 (Wed) (Maximal length)
- (6) Minimum subscription unit: 1 unit (subscriptions above one unit should be multiples of one unit).

Disclaimer: This document is intended to serve as a press statement to make available the information on additional public offering of units of Japan Real Estate Investment Corporation (the “Corporation”), and does not constitute and should not be construed as an offer to sell or solicitation of an offer to purchase any unit or other investment of the Corporation. Prospective unitholders are advised to read the Corporation’s prospectus for new unit issuance (and its amendments, if any) before making investment decisions for yourself.

- (7) Subscription period : April 21, 2005 (Thu)
through April 25, 2005 (Mon)
- Please note that the above subscription period may be moved up taking into account the demand forecast. In that case, the earliest subscription period shall be April 19, 2005 (Tue) through April 21, 2005 (Thu).
- (8) Payment date : April 28, 2005 (Thu)
- Please note that the above payment date may be moved up, taking into account the demand forecast. In that case, the earliest payment date shall be April 26, 2005 (Tue).
- (9) Delivery date of investment certificate : May 2, 2005 (Mon)
- Please note that the above delivery date may be moved up, taking into account the demand forecast. In that case, the earliest delivery date shall be April 27, 2005 (Wed).
- (10) Base date for cash distribution calculation : April 1, 2005 (Fri)
- (11) Issue price and other pertinent matters required for issuance of new units shall be determined at the Board of Directors meeting from now on.
- (12) Each clause mentioned above is under and subject to effective notification to the relevant authorities pursuant to the Securities and Exchange Law.

2 . Change of number of units issued and outstanding upon new issuance of units

Number of units outstanding before the offering	260,400
Number of newly issued units	85,000
Number of units outstanding after the issuance of units	345,400

3 . Reason for the issuance of units (use of proceeds), etc.

- (1) Reason for the issuance of units (use of proceeds)
Net proceeds from the offerings (approximately 68,300,000,000 yen) will be used primarily for the purchase of additional specified properties and for repayment of a portion of the existing borrowings.
- (2) Change in use of proceeds from the last issuance of units
Not applicable

4. Distribution of earnings to unitholders

- (1) Basic policy regarding distribution of earnings
The distribution of earnings is based on the cash distribution policy defined in the Articles of Incorporation.
Currently, the Corporation will not make a distribution in excess of earnings
- (2) Distributions in past three periods

	the 4th Period From April 1, 2003 To September 30, 2003	the 5th Period From October 1, 2003 To March 31, 2004	the 6th Period From April 1, 2004 To September 30, 2004
Distribution per Unit	¥15,117	¥14,602	¥14,711

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5. Others

- (1) Placement to specified persons
Not applicable

- (2) Equity finance activities in the past three years

Equity finance

Unit: Million of yen

Date of issuance	Amount issued	Unitholders' capital	Remark
May 11, 2001 (Establishment)	200	200	Private placement Public offering Public offering Public offering
September 8, 2001 (Note)	81,060	81,260	
May 8, 2002	30,892	112,152	
October 25, 2003	21,295	133,448	

(Note) Units were listed on Tokyo Stock exchange on September 10, 2001.

Unit price development in the past three computation periods and the latest period

Unit: Yen

	the 4th Period From April 1, 2003 To September 30, 2003	the 5th Period From October 1, 2003 To March 31, 2004	the 6th Period From April 1, 2004 To September 30, 2004	the 7th Period From October 1, 2004 To March 31, 2005
Open	592,000	648,000	830,000	874,000
High	699,000	840,000	882,000	893,000
Low	591,000	634,000	702,000	805,000
Close	648,000	830,000	875,000	875,000

- (3) Restriction period on next additional issuance of units

The Corporation has an agreement with Nikko Citigroup Limited concerning the restriction of additional issuance of units for three months from the payment date of this public offering; however Nikko Citigroup Limited has the authority to cancel all or part of this agreement or to shorten such restriction period at its discretion.

This notice is the English translation of April 4, 2005 announcement in Japanese on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

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