



October 16, 2006

To whom it may concern:

Japan Real Estate Investment Corporation  
Taketo Yamazaki, Executive Director  
(TSE code: 8952)  
Contact: (Asset Management Contractor)  
Japan Real Estate Asset Management Co., Ltd.  
Haruhiko Araki, General Manager, Planning Department  
Phone: +81-3-3211-7921

## **Notice Regarding Determination of Issue Price for Additional Public Offering of Units**

Regarding the additional public offering of new units resolved by the Board of Directors meeting held on October 2, 2006, please be informed that Japan Real Estate Investment Corporation determined the issue price and other conditions as given below at the board meeting held on October 16, 2006:

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|------------------------------------|--|
| 1. Issue price                     | 1,009,400 yen per unit   |
| 2. Aggregate amount of issue price | 65,207,240,000 yen   |
| 3. Issue value                     | 978,500 yen per unit   |
| 4. Aggregate amount of issue value | 63,211,100,000 yen   |
| 5. Subscription period             | October 17, 2006 (Tue)<br>through October 19, 2006 (Thu)   |
| 6. Payment date                    | October 24, 2006 (Tue)   |
| 7. Delivery date                   | October 25, 2006 (Wed)   |
| 8. Use of proceeds                 | Net proceeds from the offerings (63,211,100,000 yen) will be used for repayment of a portion of the existing borrowings and for the purchase of additional specified properties. |

(Note) Underwriters (Nikko Citigroup Limited; Nomura Securities Co., Ltd.; Shinko Securities Co., Ltd.; Mizuho Securities Co., Ltd.; Mitsubishi UFJ Securities Co., Ltd. and Daiwa Securities SMBC Co., Ltd.) shall buy and underwrite the aggregate amount of issue value and offer and place such amount to investors at the issue price.

[Reference]

Computation of issue price

- |   |                        |
|---|------------------------|
| 1. Price determination date                             | October 16, 2006 (Mon) |
| 2. Closing price of unit as of price determination date | 1,030,000 yen per unit |
| 3. Discount rate  | 2.00%                  |

This notice is the English translation of the October 16, 2006, announcement in Japanese on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

Disclaimer: This document is intended to serve as a press statement to make available the information on an 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 the 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.