November 18, 2009

To whom it may concern:

<Investment Corporation>
Japan Real Estate Investment Corporation
Taketo Yamazaki, Executive Director
(TSE code: 8952)

<Asset Management Company>
Japan Real Estate Asset Management Co., Ltd.
Kazuhiko Arahata, CEO & President
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Announcement of Issuance of New Units and Secondary Offering of Units

Announcement is hereby made that Japan Real Estate Investment Corporation (the “Company”) will make issuance of new units and secondary offering of units as resolved by the Board of Directors at a meeting held on November 18, 2009.

1. Public offerings of new units
   (1) Number of units to be newly issued: 42,000 units
   (2) Issue price: To be determined
      (Issue price shall be determined at the Board of Directors meeting to be held on a date from December 1, 2009 (Tue) to December 4, 2009 (Fri) [hereinafter referred to as “price determination date”]. Issue price means the value per unit the Company receives from underwriters.)
   (3) Aggregate amount of issue price: To be determined
   (4) Offer price (Subscription price): To be determined
   (5) Subscription method: The new units shall be publicly offered and the Company will have the following companies underwrite all the units on a firm commitment basis: Nikko Cordial Securities Inc. (Lead manager), Mizuho Securities Co., Ltd., Nomura Securities Co., Ltd., Mitsubishi UFJ Securities Co., Ltd. and Daiwa Securities SMBC Co., Ltd. (hereinafter, collectively referred to as “Underwriters”).

In addition, the publicly subscribed offer price shall be tentatively set at the product of the closing price of the investment unit of the Company on 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.

(6) Underwriting agreement

Underwriters shall make payment of the aggregate amount of the issue
price to the Company on the payment date. The price difference between
the aggregate amount of the offer price (subscription price) and the
aggregate amount of the issue price shall be the proceeds of each
underwriter, and the Company will not pay an underwriting fee to
underwriters.

(7) Demand forecast (bookbuilding) period

November 27, 2009 (Fri) through December 4, 2009 (Fri)
(maximal length)

(8) Minimum subscription unit

1 unit (subscriptions above one unit should be multiples of one unit).

(9) Subscription period

December 2, 2009 (Wed) through December 3, 2009 (Thu)
The above subscription period may be moved down, taking into account
the demand forecast. In that case, the latest subscription period shall be
December 7, 2009 (Mon) through December 8, 2009 (Tue).

(10) Payment date

December 8, 2009 (Tue)
The above payment date may be moved down, taking into account the
demand forecast. In that case, the latest payment date shall be December
11, 2009 (Fri).

(11) Delivery date

The next business day after the payment date

(12) Offer price (subscription price), issue price, and other pertinent matters required for issuance of new
units shall be determined at the Board of Directors meeting to be held hereafter.

(13) Each clause mentioned above is subject to effectiveness of filing made with the relevant authorities
pursuant to the Financial Instruments and Exchange Law.

2. Secondary Offering (Over-allotment) (Refer to <Reference>1.below)

(1) Offerer

Nikko Cordial Securities Inc.

(2) Number of units to be offered

4,200 units

The above number represents the maximum number of investment units
to be offered. The number may decrease, or the secondary offering by
over-allotment itself may be cancelled, depending on the degree of
demand and other conditions. The number of investment units to be
offered shall be determined at the Board of Directors meeting, to be held
on the price determination date, in consideration of the degree of demand
and other conditions.

(3) Offer price

To be determined
(to be decided on the price determination date. The offer price is to be the
same as the public offering issue price (offer price).)

(4) Gross Proceeds

To be determined

(5) Offering method

Nikko Cordial Securities Inc., the lead manager of the public offering,
will make an offering of the maximum of 4,200 units of the Company that
it borrows from Mitsubishi Estate Co., Ltd., which is an investor of the
Company, in consideration of the degree of demand and other conditions
in the public offering.
(6) Subscription period : Same as the subscription period in the public offering.

(7) Delivery date : Same as the delivery date in the public offering.

(8) Subscription unit : 1 unit (subscriptions above one unit should be multiples of one unit).

(9) Offer price and other pertinent matters required for secondary offering of units shall be determined at the Board of Directors meeting to be held hereafter.

(10) Each clause mentioned above is subject to effectiveness of filing made with the relevant authorities pursuant to the Financial Instruments and Exchange Law.

3. Issuance of new investment units by third-party allocation (Refer to <Reference>1 below)

(1) Number of units to be newly issued : 4,200 units

(2) Allottee and number of units to be issued : Nikko Cordial Securities Inc. 4,200 units

(3) Issue price : To be determined (To be decided on the price determination date. The issue price is to be the same as the public offering issue price.)

(4) Aggregate amount of issue price : To be determined

(5) Subscription period (subscription date) : December 21, 2009 (Mon)

(6) Payment date : December 22, 2009 (Tue)

(7) Minimum subscription unit : 1 unit (subscriptions above one unit should be multiples of one unit).

(8) Issue price and other pertinent matters required for issuance of new units by third-party allotment shall be determined at the Board of Directors meeting to be held hereafter.

(9) Units not subscribed within the above mentioned subscription period (subscription date) shall not be issued.

(10) If the public offer of new units is suspended, issuance of new units by a third-party allocation will also be suspended.

(11) Each clause mentioned above is subject to effectiveness of filing made with the relevant authorities pursuant to the Financial Instruments and Exchange Law.

<Reference>
1. Secondary offering by over-allotment, etc.

A secondary offering by over-allotment may be effected by Nikko Cordial Securities Inc., the lead manager of the public offering, after considering demand and other conditions, of up to a limit of 4,200 units borrowed (hereafter “borrowed units”) from Mitsubishi Estate Co., Ltd., an investor of the Company (hereafter, “secondary offering by over-allotment”). The number of units to be offered through the secondary offering by over-allotment is the upper limit and may be reduced, or the offering through over-allotment itself may be suspended, depending on demand and other conditions.

In order to cause Nikko Cordial Securities Inc. to acquire the units of the Company necessary to repay the borrowed units by Nikko Cordial Securities Inc. in connection with the secondary offering by over-allotment, the Company resolved, at the Board of Directors’ meeting held on November 18, 2009(Wed), that 4,200 new units of the Company be issued and allocated to Nikko Cordial Securities Inc.
(hereafter “third-party allocation”) with a payment date of December 22, 2009(Tue).
In addition, Nikko Cordial Securities, Inc. may, within the period commencing on the day immediately following the end of the application period for the public offering and the secondary offering by over-allotment and ending on December 17, 2009(Thu) (hereafter, “syndicate cover transaction period”), purchase up to the maximum number of units of the Company sold in the secondary offering by over-allotment on the Tokyo Stock Exchange (hereafter, “syndicate cover transaction”) with the aim of repaying the borrowed units. All the units of the Company procured by Nikko Cordial Securities Inc. through syndicate cover transaction will be allocated to repay the borrowed units. In the syndicate cover transaction period, Nikko Cordial Securities may, at its discretion, choose not to enter into any syndicate cover transaction, or to terminate such transaction prior to reaching the maximum number of units to be issued in the secondary offering by over-allotment.
Moreover, Nikko Cordial Securities Inc. may effect stabilization transactions in relation to the public offering and secondary offering by over-allotment, and allocate all or part of the units of the Company purchased through stabilization transactions, to repayment of the borrowed units.
Nikko Cordial Securities Inc. plans to underwrite the allocation under this issuance of new units by a third-party allocation of an number of units of the Company obtained by deducting the number of units purchased through stabilizing transaction and syndicate cover transaction that are to be used to return the borrowed units, from the number of units to be offered in the over-allotment. For this reason, the units to be issued by third-party allocation may not be subscribed in whole or in part, and as a result, the subscription right will be forfeited and the final number of units with respect to the third-party allocation may be reduced to the same extent, or the issue itself may be suspended.
Whether the secondary offering by over-allotment is exercised and the number of units to be subscribed when the secondary offering by over-allotment is exercised will be determined on the issue price determination date. In case the secondary offering by over-allotment is not exercised, Nikko Cordial Securities Inc. will not borrow units of the Company from the aforementioned investor of the Company. Consequently, in case the secondary offering by over-allotment is not exercised, Nikko Cordial Securities Inc. will not respond or apply for the third-party allocation and the subscription right will be forfeited and then issuance of new units by third-party allocation will not take place at all. Similarly, the syndicate cover transaction on the Tokyo Stock Exchange will not be exercised.

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

<table>
<thead>
<tr>
<th>Description</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of units outstanding before the offering</td>
<td>443,000</td>
</tr>
<tr>
<td>Number of newly issued units by public offering</td>
<td>42,000</td>
</tr>
<tr>
<td>Number of units outstanding after the public offering</td>
<td>485,000</td>
</tr>
<tr>
<td>Number of newly issued units by third-party allotment</td>
<td>4,200 (Note)</td>
</tr>
<tr>
<td>Number of units outstanding after third-party allotment</td>
<td>489,200 (Note)</td>
</tr>
</tbody>
</table>

(Note)These figures are based on the assumption that the new units to be issued by third-party allotment are all applied by Nikko Cordial Securities Inc.

3. Reason for the issuance of units (use of proceeds), etc.
The issuance of new units was decided on in order to acquire specified assets that are conducive to the medium to long term growth of the Company while ensuring financial stability, after considering the situations of the real estate sales market, current level of LTV (Interest-bearing debt/Total assets), trend of J-REIT market and level of dividend payout.
4. Total amount to be procured, specific use of proceeds and scheduled outlay period
(1) Total amount to be procured (approximate net balance)
¥31,832,724,000 (maximum)
(Note)1. The above figures represent the sum of ¥28,938,840,000 in net proceeds from the public offering and the ¥2,893,884,000 maximum net proceeds from the issuance of new units by third-party allotment.
(Note)2. The above-mentioned amounts are estimated amounts calculated on the basis of the closing price of the Tokyo Stock Exchange as of November 9, 2009.

(2) Specific use of proceeds and scheduled outlay period

<table>
<thead>
<tr>
<th>Specific use</th>
<th>Amounts (million yen)</th>
<th>Scheduled outlay period (Note)2</th>
</tr>
</thead>
<tbody>
<tr>
<td>i. Acquisition of additional share of Shiodome Building (Note)1</td>
<td>20,000</td>
<td>January 2010</td>
</tr>
<tr>
<td>ii. Repayment of the existing loans</td>
<td>Remaining funds</td>
<td>Until January 2010</td>
</tr>
</tbody>
</table>

(Note)1. For the summary of the scheduled acquisition of Shiodome Building (acquisition of the additional share), please refer to our News Release “Notice on Acquisition of Trust Beneficiary Right in Trust of Domestic Real Estate” released on November 18, 2009.
(Note)2. The procured funds will be put into fixed-term deposits or other similar facilities until the time of the scheduled outlays.

5. Designation of distributees
Not applicable

6. Outlook
Please refer to “Notice of Forecast Results for the 17th period (March 31, 2010) and the 18th period (September 30, 2010)” announced on November 18, 2009, for the outlook.

<Reference>
Forecast results for the 17th Period (released November 18, 2009) and Actual results of the 16th period (Previous period)

<table>
<thead>
<tr>
<th></th>
<th>Operating revenues</th>
<th>Operating income</th>
<th>Ordinary income</th>
<th>Net income</th>
<th>Dividend per unit (Excluding dividend in excess of earnings)</th>
<th>Dividend in excess of earnings per unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forecast results for</td>
<td>21,640 million yen</td>
<td>10,210 million yen</td>
<td>8,470 million yen</td>
<td>8,470 yen</td>
<td>17,320 yen</td>
<td>–</td>
</tr>
<tr>
<td>the 17th Period</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(March 31, 2010)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actual results of</td>
<td>21,524 million yen</td>
<td>10,054 million yen</td>
<td>8,505 million yen</td>
<td>8,504 yen</td>
<td>19,198 yen</td>
<td>–</td>
</tr>
<tr>
<td>the 16th Period</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(September 30, 2009)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Disclaimer: This document is intended to serve as a press statement to make available the information on public offerings and secondary offering of units of Japan Real Estate Investment Corporation (the “Company”), 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 Company. Prospective investors are advised to read the Company's prospectus for new unit issuance and secondary offering (and its amendments, if any) and make any investment decisions at their own risk and responsibility.
7. Management conditions and states of equity finance during the three most recent fiscal periods

(1) Management conditions during the three most recent fiscal periods

<table>
<thead>
<tr>
<th></th>
<th>the 14th Period</th>
<th>the 15th Period</th>
<th>the 16th Period</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>April 1, 2008 through September 30, 2008</td>
<td>October 1, 2008 through March 31, 2009</td>
<td>April 1, 2009 through September 30, 2009</td>
</tr>
<tr>
<td>Net income per unit (Note)</td>
<td>¥19,071</td>
<td>¥19,020</td>
<td>¥19,197</td>
</tr>
<tr>
<td>Dividend per unit</td>
<td>¥19,072</td>
<td>¥19,020</td>
<td>¥19,198</td>
</tr>
<tr>
<td>Actual payout ratio</td>
<td>100.0%</td>
<td>99.9%</td>
<td>100.0%</td>
</tr>
<tr>
<td>Net assets per unit</td>
<td>¥690,858</td>
<td>¥690,806</td>
<td>¥690,984</td>
</tr>
</tbody>
</table>

(Note) The net income per unit is calculated based on the average number of units during the period.

(2) Recent unit price conditions

i. Changes in unit prices in the three most recent fiscal periods

<table>
<thead>
<tr>
<th></th>
<th>the 14th Period</th>
<th>the 15th Period</th>
<th>the 16th Period</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>April 1, 2008 through September 30, 2008</td>
<td>October 1, 2008 through March 31, 2009</td>
<td>April 1, 2009 through September 30, 2009</td>
</tr>
<tr>
<td>Initial price</td>
<td>¥1,170,000</td>
<td>¥856,000</td>
<td>¥763,000</td>
</tr>
<tr>
<td>High</td>
<td>¥1,350,000</td>
<td>¥926,000</td>
<td>¥860,000</td>
</tr>
<tr>
<td>Low</td>
<td>¥831,000</td>
<td>¥528,000</td>
<td>¥661,000</td>
</tr>
<tr>
<td>Closing price</td>
<td>¥836,000</td>
<td>¥756,000</td>
<td>¥734,000</td>
</tr>
</tbody>
</table>

ii. Changes in unit prices during the last six months

<table>
<thead>
<tr>
<th></th>
<th>May 2009</th>
<th>June</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>October</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial price</td>
<td>¥700,000</td>
<td>¥728,000</td>
<td>¥792,000</td>
<td>¥797,000</td>
<td>¥759,000</td>
<td>¥734,000</td>
</tr>
<tr>
<td>High</td>
<td>¥743,000</td>
<td>¥828,000</td>
<td>¥860,000</td>
<td>¥809,000</td>
<td>¥778,000</td>
<td>¥734,000</td>
</tr>
<tr>
<td>Low</td>
<td>¥661,000</td>
<td>¥704,000</td>
<td>¥758,000</td>
<td>¥744,000</td>
<td>¥715,000</td>
<td>¥675,000</td>
</tr>
<tr>
<td>Closing price</td>
<td>¥734,000</td>
<td>¥801,000</td>
<td>¥792,000</td>
<td>¥758,000</td>
<td>¥734,000</td>
<td>¥728,000</td>
</tr>
</tbody>
</table>

iii. Unit prices on the business day immediately prior to the resolution date of the issuance

<table>
<thead>
<tr>
<th></th>
<th>November 17, 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial price</td>
<td>¥708,000</td>
</tr>
<tr>
<td>High</td>
<td>¥711,000</td>
</tr>
<tr>
<td>Low</td>
<td>¥705,000</td>
</tr>
<tr>
<td>Closing price</td>
<td>¥708,000</td>
</tr>
</tbody>
</table>

(3) Equity finance activities during the three most recent fiscal periods

Not applicable
8. Others

(1) Restriction period on next additional issuance of units

The Company has an agreement with the lead manager, Nikko Cordial Securities Inc. concerning the restriction of additional issuance of units for three months from the payment date of this public offering without obtaining prior written consent from Nikko Cordial Securities Inc.

However, Nikko Cordial Securities Inc. has the authority to cancel all or part of this restriction or to shorten such restriction period at its discretion.

This notice is the English translation of the announcement in Japanese dated November 18, 2009 on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.