

February 21, 2012

To whom it may concern:

<Investment Corporation>

Japan Real Estate Investment Corporation

Noritada Terasawa, Executive Director

(TSE code: 8952)

<Asset Management Company>

Japan Real Estate Asset Management Co., Ltd.

Hiroshi Katayama, CEO & President

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## Notice Regarding Determination of Offer Prices for Issuance of New units and Secondary Offering of Units

Announcement is hereby made that Japan Real Estate Investment Corporation determined the offer prices and other conditions as given below at the Board of Directors meeting held on February 21, 2012, regarding the issuance of new units and the secondary offering of units resolved by the Board of Directors meeting held on February 13, 2012:

### 1. Public offering of new units

- |  |  |
|--|--|
| (1) Offer price (subscription price)                     | ¥672,750 per unit  |
| (2) Aggregate amount of offer price (subscription price) | ¥36,597,600,000  |
| (3) Issue price  | ¥652,050 per unit  |
| (4) Aggregate amount of issue price                      | ¥35,471,520,000  |
| (5) Subscription period                                  | February 22, 2012 (Wed)<br>through February 23, 2012 (Thu) |
| (6) Payment date   | February 28, 2012 (Tue)                                    |
| (7) Delivery date  | February 29, 2012 (Wed)                                    |

(Note) Underwriters (SMBC Nikko Securities Inc. [lead manager and sole book runner]; Mizuho Securities Co., Ltd.; Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.; Nomura Securities Co., Ltd. and Daiwa Securities Capital Markets Co., Ltd.) shall buy and underwrite the aggregate amount of issue price and offer and place such amount to investors at the offer price (subscription price).

### 2. Secondary Offering (Over-allotment)

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|-----------------------------------|-------------------|
| (1) Number of units to be offered | 5,440 units       |
| (2) Offer price                   | ¥672,750 per unit |

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.

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|-------------------------|--|
| (3) Gross Proceeds      | ¥3,659,760,000   |
| (4) Subscription period | February 22, 2012 (Wed)<br>through February 23, 2012 (Thu) |
| (5) Delivery date       | February 29, 2012 (Wed)                                    |

### 3. Issuance of new units by third-party allocation

- |  |                      |
|--|----------------------|
| (1) Issue price                                | ¥652,050 per unit    |
| (2) Aggregate amount<br>of issue price         | ¥3,547,152,000       |
| (3) Subscription period<br>(subscription date) | March 26, 2012 (Mon) |
| (4) Payment date                               | March 27, 2012 (Tue) |

#### [Reference]

##### 1. Computation of offer prices

- |   |                         |
|---|-------------------------|
| (1) Price determination date                                | February 21, 2012 (Tue) |
| (2) Closing price of unit as of price<br>determination date | ¥690,000 per unit       |
| (3) Discount rate   | 2.50%                   |

##### 2. Syndicate cover transaction period

February 24, 2012 (Fri) through March 22, 2012 (Thu)

##### 3. Use of the proceeds

The net proceeds raised through this public offering (¥35,471,520,000), together with the ceiling amount of those raised through third-party allocation of new investment units (¥3,547,152,000), will be used for the repayment of ¥37 billion short-term loans out of ¥54 billion long and short-term loans in total borrowed for the acquisition of new specified assets\* by the Company. Please note, however, that remaining funds, if any, will be used for the repayment of other loans.

(Note) For the summary of the specified asset, please refer to our News Release “Notice on Acquisition of Domestic Real Estate” released on November 14, 2011.

This notice is the English translation of the announcement in Japanese dated February 21, 2012 on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

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