

May 9, 2014

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.

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Notice regarding Determination of Number of Units for Issuance of New units by Third-party Allocation

Announcement is hereby made that Japan Real Estate Investment Corporation (the “Company”) received a notification today from the allottee that it will subscribe for the whole of the units planned to be issued with respect to the issuance of new units by third party allocation in accordance with the resolution at the Board of Directors meetings held on March 27, 2014 and April 8, 2014 with respect to the issuance of new units by public offering and the secondary offering of units by over-allotment.

- (1) Number of units to : 5,750 units (number of units planned to be issued 5,750 units)
be newly issued
- (2) Aggregate amount : ¥2,796,800,000 (¥486,400 per unit)
of issue price
- (3) Subscription period : May 13, 2014 (Tue)
(subscription date)
- (4) Payment date : May 14, 2014 (Wed)
- (5) Allottee : SMBC Nikko Securities Inc.

<Reference>

1. The issuance of new units by third-party allocation was resolved with the issuance of new units by public offering and the secondary offering of units by over-allotment resolution at the Board of Directors meetings held on March 27, 2014 and April 8, 2014.

For the summary of the third-party allocation, etc., please refer to “Announcement of Issuance of New Units and Secondary Offering of Units” announced on March 27, 2014 and “Notice Regarding Determination of Offer Prices for Issuance of New units and Secondary Offering of Units” announced on April 8, 2014.

Disclaimer: This press release is not an offer to sell or a solicitation of any offer to buy the securities of Japan Real Estate Investment Corporation (the “Company”) in the United States or elsewhere. Investment units may not be offered or sold in the United States without registration or an exemption from registration under the United States Securities Act of 1933 (the “Securities Act”). Any public offering of investment units to be made in the United States will be made by means of an English language prospectus prepared in accordance with the Securities Act that may be obtained from the Company and that will contain detailed information about the Company and its management, as well as the Company’s financial statements. However, the Company will not undertake a public offering and sale of investment units in the United States, and the investment units have not been and will not be registered under the Securities Act.

2. Change of number of units issued and outstanding upon the third-party allocation

Number of units outstanding before third-party allocation	1,245,780 units
Number of newly issued units by third-party allocation	5,750 units
Number of units outstanding after third-party allocation	1,251,530 units

3. Use of the proceeds

The net proceeds raised through this third-party allocation of new investment units (¥ 2,796,800,000) will be appropriated to cash reserves until May 2014 to make up for their decrease, as the part of the cash reserves were applied toward the repayment of short-term loans. (Note)

(Note) Please refer to our News Release “Notice concerning Pre-payment of Loan” dated on April 30, 2014 for the details of the repayment of the loans.

This notice is the English translation of the announcement in Japanese dated May 9, 2014.
However, no assurance or warranties are given for the completeness or accuracy of this English translation.

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