

March 30, 2015

To whom it may concern:

&lt;Investment Corporation&gt;

Japan Real Estate Investment Corporation

Noritada Terasawa, Executive Director

(TSE code: 8952)

&lt;Asset Management Company&gt;

Japan Real Estate Asset Management Co., Ltd.

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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 March 30, 2015, regarding the issuance of new units and the secondary offering of units resolved by the Board of Directors' meeting held on March 18, 2015:

### 1. Public offering of new units

- |  |   |
|--|---|
| (1) Offer price (subscription price)                     | ¥557,620 per unit                                     |
| (2) Aggregate amount of offer price (subscription price) | ¥30,111,480,000                                       |
| (3) Issue price  | ¥540,550 per unit                                     |
| (4) Aggregate amount of issue price                      | ¥29,189,700,000                                       |
| (5) Subscription period                                  | March 31, 2015 (Tue.)<br>through April 1, 2015 (Wed.) |
| (6) Payment date   | April 6, 2015 (Mon.)                                  |
| (7) Delivery date  | April 7, 2015 (Tue.)                                  |

(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 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).

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. Secondary Offering (Trough purchase)**

- |                                     |  |
|-------------------------------------|--|
| (1) Offer price                     | ¥557,620 per unit                                    |
| (2) Aggregate amount of offer price | ¥1,784,384,000                                       |
| (3) Subscription period             | March 31, 2015(Tue.)<br>through April 1, 2015 (Wed.) |
| (4) Delivery date                   | April 7, 2015 (Tue.)                                 |

**3. Secondary Offering (Over-allotment)**

- |                                     |   |
|-------------------------------------|---|
| (1) Number of units to be offered   | 3,780 units   |
| (2) Offer price                     | ¥557,620 per unit                                     |
| (3) Aggregate amount of offer price | ¥2,107,803,600  |
| (4) Subscription period             | March 31, 2015 (Tue.)<br>through April 1, 2015 (Wed.) |
| (5) Delivery date                   | April 7, 2015(Tue.)                                   |

**4. Issuance of new units by third-party allocation**

- |  |                     |
|--|---------------------|
| (1) Issue price                                | ¥540,550 per unit   |
| (2) Aggregate amount of issue price            | ¥2,043,279,000      |
| (3) Subscription period<br>(subscription date) | May 8, 2015 (Fri.)  |
| (4) Payment date                               | May 11, 2015 (Mon.) |

**[Reference]****1. Computation of offer prices**

- |   |                      |
|---|----------------------|
| (1) Price determination date                                | March 30, 2015 (Mon) |
| (2) Closing price of unit as of price<br>determination date | ¥569,000 per unit    |
| (3) Discount rate   | 2.00%                |

**2. Syndicate cover transaction period**

April 2, 2015 (Thu.) through May 1, 2015 (Fri.)

**3. Use of the proceeds**

The above net proceeds (¥29,189,700,000) raised through the public offering will be applied toward a part of funds to repay short-term loans, redemption of investment corporate bonds (Note1) and a part of funds to acquire specified assets(Note2). The remaining proceeds will be used as cash reserves for acquisition of specified assets or for repayment of loans. Also, the maximum net proceeds (¥2,043,279,000) raised through the issuance of new units by third-party allocation on the same day of the resolution of the public offering will be applied toward a part of funds to repay short-term loans.

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If there are some remaining proceeds, it will be used as cash reserves for acquisition of specified assets or for repayment of loans.

(Note 1) It shall mean the 7th investment corporate bonds totaling ¥ 10 billion that will be matured on April 23, 2015.

(Note 2) It shall mean Shiodome Building (additional acquisition) that was mentioned in the release, “Notice on Acquisition of Domestic Real Estate and Trust Beneficiary Right in Trust of Domestic Real Estate” issued on March 18, 2015.

This notice is the English translation of the announcement in Japanese dated March 30, 2015.

However, no assurance or warranties are given for the completeness or accuracy of this English translation.

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