

May 1, 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.

Hiroshi Katayama, CEO &amp; President

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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 18, 2015 and March 30, 2015 with respect to the issuance of new units by public offering and the secondary offering of units.

- (1) Number of units to be newly issued : 3,780 units (number of units planned to be issued 3,780 units)
- (2) Aggregate amount of issue price : ¥2,043,279,000 (¥540,550 per unit)
- (3) Subscription period (subscription date) : May 8, 2015 (Fri)
- (4) Payment date : May 11, 2015 (Mon)
- (5) Allottee : SMBC Nikko Securities Inc.

&lt;Reference&gt;

1. The issuance of new units by third-party allocation was resolved with the issuance of new units by public offering, the secondary offering through purchase and the secondary offering by over-allotment at the Board of Directors’ meetings held on March 18, 2015 and March 30, 2015.

For the summary of the third-party allocation, etc., please refer to the release, “Announcement of Issuance of New Units and Secondary Offering of Units” issued on March 18, 2015 and “Notice Regarding Determination of Offer Prices for Issuance of New units and Secondary Offering of Units” issued on March 30, 2015.

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 | 1,305,530 units |
| Number of newly issued units by third-party allocation    | 3,780 units     |
| Number of units outstanding after third-party allocation  | 1,309,310 units |

3. Use of the proceeds

The net proceeds raised through this third-party allocation of new investment units (¥ 2,043,279,000) will be applied toward funds to repay a part of short-term loans, the remaining proceeds will be used as cash reserves for acquisition of specified assets or for repayment of loans.

The details for repayment a part of short-term loans will be informed as soon as it is decided.

This notice is the English translation of the announcement in Japanese dated May 1, 2015.

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

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