

August 23, 2013

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 concerning Issuance of Investment Corporation Bonds

Announcement is hereby made that Japan Real Estate Investment Corporation decided to issue investment corporation bonds in accordance with the Act on Book-Entry Transfer of Company Bonds, Shares, etc. ("Bonds Transfer Act"), based on the comprehensive resolution adopted at the board of directors' meeting held on August 7, 2013, as follows:

1. Summary of Investment Corporation Bonds

(1) Name of the bonds

Japan Real Estate Investment Corporation Ninth Unsecured Bond

(No finance-related special covenants, such as negative pledge)

(2) Total amount of the bonds to be issued

¥10 billion

(3) Form of bond certificate

The Bonds Transfer Act is applicable to the bonds, thus investment corporation bond certificates will not be issued.

(4) Payment amount

¥100 per face value of ¥100

(5) Redemption price

¥100 per face value of ¥100

(6) Interest rate

0.497 % per annum

(7) Denomination of each bond

¥100 million

(8) Subscription method

Public offering

(9) Offering period

August 23, 2013

(10) Payment due date

August 30, 2013

(11) Collateral

There is no secured mortgage or guarantee on the bonds. There are no assets reserved as security for the bonds.

(12) Redemption method and date

- (1) Final redemption date
August 30, 2018
- (2) Redemption by purchase may be accomplished anytime from the date following the payment date unless otherwise specified by Japan Securities Depository Center, Inc.

(13) Interest payment dates

End of February and August 30 of every year

(14) Finance-related special covenants

No finance-related special covenants are attached to the bonds.

(15) Ratings

A+: Standard & Poor's Ratings Services
A1: Moody's Investors Service, Inc.
AA: Rating and Investment Information, Inc.

(16) Fiscal agent/Issuing and payment agent

The Bank of Tokyo-Mitsubishi UFJ, Ltd.

(17) Underwriter

Mizuho Securities Co., Ltd.
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.

(18) Use of the funds

Repayment of the existing loans and acquisition funds for specified assets (meaning specified assets as defined in the Article 2 (1) of the Act on Securities Investment Trust and Securities Investment Corporations)

2. Reason for the issuance of the bonds

To rise the ratio of long-term debt and investment corporation bonds to total interest-bearing debt through the issuance of the bonds

3. Total amount to be procured, specific use of proceeds and scheduled outlay period

(1) Total amount to be procured (approximate net balance)

¥9,945,000,000

(2) Specific use of proceeds and scheduled outlay period

To apply ¥70 billion toward the scheduled repayment of the long-term loan (¥ 30 billion) and the pre-payment of the short-term loan (¥ 40 billion) in September, 2013, and to apply the rest of the funds toward part of acquisition funds for Shijo Karasuma Center Building.

4. Balance of interest-bearing debt after the issuance of the bonds (Note)

(Units: millions of yen)

	Before the issuance	After the issuance	Increase/Decrease
Short-term loans	24,000	25,000	+1,000
Current portion of long-term loans	21,100	13,100	-8,000
Long-term loans	227,100	227,100	±0
Total loans	272,200	265,200	-7,000
Current portion of investment corporation bonds	15,000	15,000	±0
Investment corporation bonds (except for current portion)	30,000	40,000	+10,000
Total investment corporation bonds	45,000	55,000	+10,000
Total interest-bearing debt	317,200	320,200	+3,000

(Note) Balance after the repayment of the above- mentioned loans under **3.** and after the new loan announced in the “Notice concerning New Loan” dated today.

5. Others

Regarding the loan repayment risk, there is no important change to the “Investment risks” description in the latest securities report submitted on June 25, 2013.

This notice is the English translation of the announcement in Japanese August 23, 2013, on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.