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Notice Concerning the Impact of the 2016 Kumamoto Earthquake (Eighth Report)
and Gain on Reversal of Provision for Loss on Disaster and Tax Refund (Extraordinary
Income)

AEON REIT Investment Corporation (“we” or the “Investment Corporation”) expresses its deepest condolences to all the victims of the 2016 Kumamoto Earthquake (the “Earthquake”) disaster and its wishes for the earliest possible recovery and restoration of the areas affected.

As described in the Notice Concerning the Impact of the 2016 Kumamoto Earthquake (Seventh Report) and the Reopening Date of the West Mall of AEON MALL Kumamoto dated February 23, 2017, the West Mall of AEON MALL Kumamoto owned by the Investment Corporation was reopened on March 24, 2017, and the repair work was completed. Please refer to the chart on the next page.

The Investment Corporation announces that it has found that a gain on reversal of provision for loss on disaster and a tax refund (“Gain on Reversal of Provision for Loss on Disaster Etc.”) as extraordinary income are expected to occur due to the lower-than-expected restoration work cost at AEON MALL Kumamoto and a reduction in fixed assets tax for FY2016. Details are as follows.

1. Occurrence of a Gain on Reversal of Provision for Loss on Disaster Etc. (Extraordinary Income)

As described in the Notice Concerning the Impact of the 2016 Kumamoto Earthquake (Sixth Report) and Fixation of Performance for the 7th fiscal period ended July 31, 2016 and Deduction of Partial Loss from Unitholders’ Capital, etc. dated September 14, 2016, the Investment Corporation posted a provision for loss on disaster of ¥3,755 million, as an amount based on a reasonable estimate of the restoration cost after the Kumamoto Earthquake, for the 7th fiscal period ended July 31, 2016.

Following the completion of the restoration work at AEON MALL Kumamoto, the Investment Corporation examined the cost of the restoration work and found that it is estimated to be approximately ¥500 million less than expected, chiefly because the cost of piling reinforcement work at the West Mall was lower than anticipated. The restoration work cost is expected to be determined towards the end of July 2017, when the demolition work at the sub-anchor zone will be completed.

In addition to the lower restoration work cost, the Investment Corporation received a tax refund of approximately ¥37 million in relation to fixed assets tax for AEON MALL Kumamoto in FY2016 because of a reduction in tax for the Kumamoto Earthquake. The Investment Corporation plans to post a Gain on

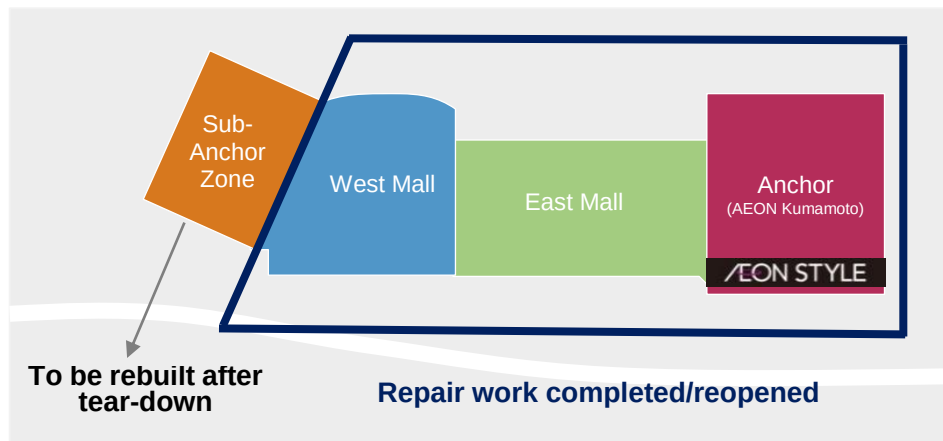
Reversal of Provision for Loss on Disaster Etc. (extraordinary income) of approximately ¥537 million, the sum of the reduction in the restoration work cost and the reduction in fixed assets tax, in the 9th fiscal period ending July 31, 2017.

2. Future Prospects

The Investment Corporation plans to internally reserve the gain on Reversal of Provision for Loss on Disaster Etc. of approximately ¥537 million, which will be posted as extraordinary income, as far as income taxes are avoided so that the internal reserve will be used for stable performance and distributions to achieve growth in the medium to long term. Accordingly, the impact of the extraordinary income on the future prospects of performance and distributions in the fiscal period ending July 31, 2017 (9th term) and the fiscal period ending January 31, 2018 (10th term) will be minor and insignificant. There is no change to the future prospects of performance and distributions.

The sub-anchor zone is planned to be demolished and rebuilt. We will communicate a plan for rebuilding as soon as it is determined.

The chart below shows the restoration status of AEON MALL Kumamoto.



AEON MALL Kumamoto



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*The Investment Corporation's Website: <http://www.aeon-jreit.co.jp/>