

Notice Concerning Establishment of Subsidiary by Asset Manager

Mitsubishi Corp. – UBS Realty Inc., the asset manager (the “Asset Manager”) of Japan Retail Fund Investment Corporation (“JRF”), determined at its board of directors meeting held on December 11, 2015, to establish a new subsidiary as outlined below.

1. Reason for establishing new subsidiary

The Asset Manager, for the purpose of expanding real estate investment products that take advantage of JRF and Industrial & Infrastructure Fund Investment Corporation’s asset management track record, established the Private Fund Management Department on February 16, 2015, as announced on the same day in JRF’s news release titled “Notice Concerning Decision to File a Notification of Changes in the Content or Methods of the Business Associated with the Organizational Change of the Asset Management Company and Changes on Key Personnel”. The Asset Manager decided this time to establish a new subsidiary in the business of private real estate fund management in order to create a structure that enables the group as a whole to provide services to investors with preference in non-discretionary fund advisory services and to meet the needs of investors who seek further independence of the private fund management related business. After the subsidiary is established, the subsidiary will organize its structure to prepare for the investment advisory business registration. Once the registration is completed, the subsidiary will start the advisory-type private fund management business.

2. Overview of the new subsidiary

(Provisional) name of the new subsidiary	MCUBS Japan Advisors Inc.
Major shareholder and ownership percentage	Mitsubishi Corp. – UBS Realty Inc. (100%)
Scheduled date of establishment	December 2015 ~ January 2016

3. Filings for the establishment of the subsidiary

In order to establish the subsidiary, the Asset Manager will submit filings to Financial Services Agency pursuant to Section 1-8, Article 50 of the Financial Instruments and Exchange Act, and Article 199-3 of the Cabinet Ordinance concerning the Financial Instruments and Exchange Act.

4. Future outlook

The establishment of the subsidiary will not impact our revenue forecasts for the fiscal period ending February 2016 (the 28th period: September 1, 2015 – February 29, 2016) and the fiscal period ending August 2016 (the 29th period: March 1, 2016 – August 31, 2016). Therefore, the forecasts remain unchanged.

About JRF: JRF is the third listed Japanese Real Estate Investment Trust (“J-REIT”) and the first J-REIT to focus exclusively on retail properties. Please refer to our website at <http://www.jrf-reit.com/english/index.html> for further details.

Contacts: For further information relating to this press release as well as JRF and Mitsubishi Corp.-UBS Realty Inc., its Asset Manager, please feel free to contact:

Mr. Keita Araki (Telephone Number: 81-3-5293-7080), Head of Retail Division at Mitsubishi Corp.-UBS Realty Inc.,

Investor Relations: Telephone Number: 81-3-5293-7081

E-mail: jrf-8953.ir@mc-ubs.com

This translation is for informational purposes only, and the Japanese language release should be referred to as the original.