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For Immediate Release

Real Estate Investment Trust Securities Issuer:
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Notice Concerning Additional Acquisition of Asset
(Godo Kaisha Nicolas Capital 6 Silent Partnership Equity Interest)

NIPPON REIT Investment Corporation ("NIPPON REIT") announces that Sojitz REIT Advisors K.K. ("SRA"), which is entrusted to manage the assets of NIPPON REIT, today decided on the following additional acquisition of an asset (Godo Kaisha Nicolas Capital 6 silent partnership equity interest announced on December 15, 2015) (the "Acquisition").

1. Overview of acquisition

- | | | | | | | | | | | | | |
|---|--|--|-------------------------------------|--|--------------------------|--|-----------------|----------------------------|---------------------|------------------|----------|--|
| (1) To-be-acquired asset: | Silent partnership equity interest that has beneficiary right of trust placing real estate in trust as asset under management | | | | | | | | | | | |
| (2) Asset name: | Godo Kaisha Nicolas Capital 6 silent partnership equity interest | | | | | | | | | | | |
| (3) Real estate that is the trust property: | <table border="0"> <tr> <td>Acquired on</td> <td>: Homat Horizon Building</td> </tr> <tr> <td>December 18, 2015</td> <td>Splendid Namba</td> </tr> <tr> <td>Scheduled to be</td> <td>: Sannomiya First Building</td> </tr> <tr> <td>acquired on January</td> <td>(the "Property")</td> </tr> <tr> <td>29, 2016</td> <td></td> </tr> </table> | | Acquired on | : Homat Horizon Building | December 18, 2015 | Splendid Namba | Scheduled to be | : Sannomiya First Building | acquired on January | (the "Property") | 29, 2016 | |
| Acquired on | : Homat Horizon Building | | | | | | | | | | | |
| December 18, 2015 | Splendid Namba | | | | | | | | | | | |
| Scheduled to be | : Sannomiya First Building | | | | | | | | | | | |
| acquired on January | (the "Property") | | | | | | | | | | | |
| 29, 2016 | | | | | | | | | | | | |
| (4) Equity investment amount: | <table border="0"> <tr> <td>Additional equity investment amount</td> <td>: 117.5 million yen(22.2% of total additional amount of equity investment in silent partnership (Note1))</td> </tr> <tr> <td>Equity investment amount</td> <td>: 220 million yen(6.7% of total amount of equity investment in silent partnership (Note2))</td> </tr> </table> | | Additional equity investment amount | : 117.5 million yen(22.2% of total additional amount of equity investment in silent partnership (Note1)) | Equity investment amount | : 220 million yen(6.7% of total amount of equity investment in silent partnership (Note2)) | | | | | | |
| Additional equity investment amount | : 117.5 million yen(22.2% of total additional amount of equity investment in silent partnership (Note1)) | | | | | | | | | | | |
| Equity investment amount | : 220 million yen(6.7% of total amount of equity investment in silent partnership (Note2)) | | | | | | | | | | | |
| (5) Agreement conclusion date: | January 27, 2016 (scheduled) | | | | | | | | | | | |
| (6) Acquisition date: | January 28, 2016 (scheduled) | | | | | | | | | | | |
| (7) Acquisition funds: | Funds on hand | | | | | | | | | | | |

(Note1) Rounded to one decimal place. The same shall apply hereinafter.

(Note2) Of the total amount of equity investment in silent partnership, etc., NIPPON REIT's equity investment is scheduled to change from 102.5 million yen (3.7% of the total amount of equity investment in silent partnership, etc before the Acquisition) to 220 million yen (6.7% of the total amount of equity investment in silent partnership, etc. after the Acquisition).

2. Reason for acquisition

SRA decided on the Acquisition due to the acquisition of new asset (for details, please refer to "7 Content of the Property) by Godo Kaish Nicolas Capital 6 which is the operator of the silent partnership (the "Operator") with an aim to develop a portfolio that achieves growth of asset size and secures stable revenue through investing in silent partnership in accordance with the asset management targets and policy set forth in the articles of incorporation of NIPPON REIT.

The Acquisition is thought to achieve flexible and timely investments as set forth in the basic policy of NIPPON REIT and thereby largely contribute to the future external growth of NIPPON REIT.

NIPPON REIT, as a result of the Acquisition, will be granted the right of first negotiation pertaining to the acquisition of the Property (for details, please refer to "3. Outline of asset after the Acquisition; (1) Overview of silent partnership, the target of equity investment; Other; Right of first negotiation to be granted with the Acquisition" below), but this does not mean that NIPPON REIT will be obliged to acquire either the Property or the properties which were acquired by the operator on December 18, 2015. Furthermore, the execution date of the right of first negotiation pertaining respective properties shall be severally determined upon mutual agreement between SRA and the operator.

3. Outline of asset after the Acquisition

(1) Overview of the silent partnership, the target of equity investment

Operator name	Godo Kaisha Nicolas Capital 6														
Effective period of silent partnership agreement	To the last day of February 2018														
Total amount of equity investment in silent partnership, etc.	3,280 million yen														
Overview of silent partnership agreement	<div>The following is an overview of this equity investment in silent partnership.</div> <table><tr><th colspan="2">Godo Kaisha Nicolas Capital 6 (Before the Acquisition)</th></tr><tr><td rowspan="3">Real estate trust beneficiary right, etc. 10,755 million yen</td><td>Non-recourse loan (senior) 6,005 million yen</td></tr><tr><td>Non-recourse loan (mezzanine) 2,000 million yen</td></tr><tr><td>Equity investment in silent partnership, etc. 2,750 million yen</td></tr></table> <table><tr><th colspan="2">Godo Kaisha Nicolas Capital 6 (After the Additional acquisition)</th></tr><tr><td rowspan="3">Real estate trust beneficiary right, etc. 12,260million yen (Note 1)</td><td>Non-recourse loan (senior) 6,730 million yen</td></tr><tr><td>Non-recourse loan (mezzanine) 2,250 million yen</td></tr><tr><td>Equity investment in silent partnership, etc. 3,280 million yen</td></tr></table> <div>Calculation period: The three-month periods every year from December 1 to the last day of February in the following year, from March 1 to the last day of May, from June 1 to the last day of August and from September 1 to the last day of November. However, the first calculation period shall be from December 16, 2015 to the last day of May 2016.</div> <div>Distribution of earnings(losses): In the event that the business generates earnings in the respective calculation period, the operator shall distribute the entire amount thereof to equity investors in accordance with their proportion of equity investment on the last day of the respective calculation period. In addition, in the event that the business generates losses in the respective calculation period, distributions shall be in accordance with their proportion of equity</div>			Godo Kaisha Nicolas Capital 6 (Before the Acquisition)		Real estate trust beneficiary right, etc. 10,755 million yen	Non-recourse loan (senior) 6,005 million yen	Non-recourse loan (mezzanine) 2,000 million yen	Equity investment in silent partnership, etc. 2,750 million yen	Godo Kaisha Nicolas Capital 6 (After the Additional acquisition)		Real estate trust beneficiary right, etc. 12,260million yen (Note 1)	Non-recourse loan (senior) 6,730 million yen	Non-recourse loan (mezzanine) 2,250 million yen	Equity investment in silent partnership, etc. 3,280 million yen
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	investment on the last day of the respective calculation period for up to the amount of losses of the business. However, in the event that the cumulative amount of losses to be distributed to equity investors exceeds the total amount of equity investment, the entire portion in excess shall be distributed to the operator.	
Other	Right of first negotiation to be granted with the Acquisition	
	Content of right	The right to be the first to be entitled to negotiate acquisition of the real estate trust beneficiary right acquired by the operator on December 18, 2015 (please refer to the “Notice Concerning Acquisition of Asset (Godo Kaisha Nicolas Capital 6 Silent Partnership Equity Interest)” dated on December 15, 2015) and scheduled to be acquired by the operator on January 29, 2016 (please refer to 7. Below) or the real estate that is the trust property.
	Period	To the last day of February 2018 (scheduled)
	Terms and conditions of price upon first negotiation	Respective price stated bellow or less (excluding consumption taxes) Homat Horizon Building : 6,705 million yen Splendid Namba : 3,502 million yen Sannomiya First Building : 1,390 million yen Total(Note 2) :11,579 million yen

(Note 1) Real estate trust beneficiary right, etc. includes arrangement costs and reserves, etc. Furthermore, the total real estate appraisal value of three properties is 11,700 million yen.

(Note 2) The pricing terms for preferred negotiations are represented by an amount rounded down to the nearest million yen. Accordingly, the figures for each real estate that is the trust property may not necessarily add up to the figure in the total column.

(Note 3) Cushman and Wakefield Asset Management K.K. is the asset manager for Godo Kaisha Nicolas Capital 6.

(Note 4) Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. is the party handling the private placement for Godo Kaisha Nicolas Capital 6.

(2) Overview of operator of silent partnership in which equity investment is to be made

Name	Godo Kaisha Nicolas Capital 6
Location	1-1-7 Motoakasaka, Minato-ku, Tokyo
Line of business	1. Acquisition, holding and disposition of real estate trust beneficiary right 2. Acquisition, holding, disposition, leasing and management of real estate 3. Other businesses incidental or related to businesses listed in the preceding items
Title and name of representative	Representative member: Ippan Shadan Hojin Nicolas Funding 6 Person to execute duties: Terumitsu Nosaka
Capital	100 thousand yen
Other equity investor in silent partnership	Not disclosed (Note)
Date of incorporation	March 18, 2010
Total asset	12,260 million yen (scheduled)
Net asset	100 thousand yen
Relationship with NIPPON REIT or SRA	
Capital relationship Personnel relationship Business relationship	While NIPPON REIT invested 102.5 million yen to the operator as equity investment on December 17, 2015, and has been granted the right of first negotiation pertaining to the acquisition of the properties which are stated above 1 Overview of acquisition (3) Real estate that is the trust property "Acquired on December 18, 2015" by the operator, there is no capital relationship, personnel relationship or business relationship to be stated between SRA and the operator. In addition, there is no capital relationship, personnel relationship or business relationship to be specially noted between associated persons and associated companies of NIPPON REIT or SRA and associated persons and associated companies of the concerned company.
Related-party status	The operator does not fall under the category of a related party of NIPPON REIT or SRA. In addition, any of associated persons and associated companies of the operator does not fall under the category of a related party of NIPPON REIT or SRA.

(Note) Not disclosed because consent has not been obtained from other equity investor in silent partnership.

4. Settlement method

Settlement shall be in a lump sum at the time of equity investment in silent partnership as stated in "5. Schedule of the Acquisition"

5. Schedule of the Acquisition

January 26, 2016	Decision on acquisition
January 27, 2016	Conclusion of silent partnership agreement (scheduled)
January 28, 2016	Equity investment in silent partnership (scheduled)
January 29, 2016	Delivery of real estate trust beneficiary right (for the Acquisition) to silent partnership operator (scheduled)

6. Future outlook

The forecast of the management status for the fiscal period ending December 2015 (from July 1, 2015 to December 31, 2015) and June 2016 (from January 1, 2016 to June 30, 2016) announced in the "Summary of Financial Results for the Fiscal Period Ended June 30, 2015 (REIT)" dated August 20, 2015 remains unchanged because the impact will be minimal.

7. Content of the Property

(i) Sannomiya First Building

Type of specified asset		Real estate trust beneficiary right
Acquisition date		January 29, 2016 (scheduled)
Trustee		Mitsubishi UFJ Trust and Banking Corporation (scheduled)
Trust establishment date		September 25, 2007
Trust expiration date		The last day of January, 2026
Location (indication of residential address)		2-11, 3-chome, Isobedori, Chuo-ku, Kobe, Hyogo
Land	Parcel number	312, 3-chome, Isobedori, Chuo-ku, Kobe, Hyogo
	Building coverage ratio / Floor area ratio	100% (Note) / 600%
	Use district	Commercial district
	Site area	819.73 m ²
	Type of ownership	Ownership
Building	Construction completion	November, 1993
	Structure / Floors	Steel-framed structure with flat roof 9F
	Use	Office
	Total floor space	5,019.79 m ²
	Type of ownership	Ownership
Master lease company		Yugen Kaisha Forecast Leasing (scheduled)
Type of master lease		Pass-through
Appraisal value		1,470 million yen
Real estate appraiser		Japan Real Estate Institute
PML		5.4%
Collateral after acquisition		The real estate trust beneficiary right is scheduled to have a pledge established with the loaner of the non-recourse loan to the operator as the pledgee. In addition, an agreement on establishment of a mortgage with a condition precedent that agrees to the concerned loaner as the mortgagee is scheduled to be concluded for the real estate that is the trust property.
Status of leasing		
	Leasable floor space	3,617.69 m ²
	Leased floor space	3,326.26 m ²
	Occupancy rate	91.9%
	Total number of tenants	25
	Total rent income (annual)	106 million yen
	Deposits, etc.	52 million yen
Special notations		Not applicable

(Note) The building coverage ratio is essentially 80%, but it is 100% due to relaxation for fire-proof structures within Commercial district and fire prevention districts

Characteristics

• Location

The Sannomiya zone where the subject property is located extends between the railroads of Sannomiya station on the JR Kobe line and Kobe-Sannomiya station on the Hankyu Railway Kobe line as the northern end and the Kaigandori street as the southern end, many office buildings are accumulated mainly in the southern area of the Sannomiya station and along the Flower Road street and main street in the KyuKoryuchi. The property is a 6-minute walk southward from the Kobe-Sannomiya station on the Hanshin Electric Railway Main line, a 3-minute walk from the Boeki Center station on the Kobe New Transit port island line, and located in the area where buildings of many types such as office buildings, home electronics mass retail stores and tower condominiums are mixed..

• Building

Sannomiya First Building is categorized as a small- and mid-sized building as it has a total floor space of approximately 1,500 tsubos and the standard floor space of approximately 140 tsubos. As many buildings located in the Sannomiya zone are small- and mid-sized buildings with the total floor space of around 2,000 tsubos, the size and building age of the property has standard level of competitiveness.

The leasing areas are unregularly shaped but should have a high competing power as they have no pillars and can be divided into several small spaces around 20 tsubos and equipped with a standard level of facilities and specifications which can meet tenant needs.

Given the fact that new supply of office buildings in the zone is limited, the property has a certain competitiveness as its building conditions are in a favorable state as it underwent the renovation works including entrance hall and common areas and is equipped with a spacy refreshment room on the 4th floor.

① Photo of exterior of real estate that is the trust property



② Map of real estate that is the trust property



[Explanation of matters stated in table 7. Content of the Property]

- “Location (indication of residential address)” is the indication of residential address of the Property. In addition, if there is no indication of residential address, the building location in the registry (if several, then one of the locations) is stated.
- “Building coverage ratio” and “Floor area ratio” of land are, in principle, the figures provided in accordance with related laws and regulations, such as the Building Standards Act and the City Planning Act, and rounded to the nearest whole number. Depending on a specified asset, there are cases where “Building coverage ratio” and “Floor area ratio” are subject to certain relaxation measures or restriction measures. In addition, where there are several floor area ratios that apply to a site, the floor area ratio is stated by converting to one that applies to the entire site.
- “Use district” of land is the type of use district listed in Article 8, Paragraph 1, Item 1 of the City Planning Act.
- “Site area” of land is based on that stated in the registry and may differ from the present state.
- “Type of ownership” of land is the type of rights of the real estate held by the trustee of the Property.
- “Construction completion” of building is the date of new construction in the registry. In addition, the date of extension, reconstruction, etc. are also stated, if any.
- “Structure / Floors” of building is based on that stated in the registry.
- “Use” of building is the major type of building in the registry.
- “Total floor space” of building is based on that stated in the registry, and annex buildings are separately stated, if any.
- “Type of ownership” of building is the type of rights of the real estate held by the trustee of the Property.
- “Master lease company” is the company that has concluded or the company that is scheduled to conclude a master lease agreement that is valid as of today for the Property.
- “Type of master lease” is the main type of master lease agreement concluded or scheduled to be concluded as of today, where “Pass-through” is a master lease agreement in which the master lease company shall pay the same amount of rent as the rent payable by end tenants to the master lease company and “Rent guaranteed” is a master lease agreement in which the master lease company shall pay a fixed amount of rent.
- “Appraisal value” is the appraisal value stated in the appraisal report prepared by Japan Real Estate Institute with January 1, 2016 as the effective date of appraisal as requested as part of due diligence upon acquisition of the real estate trust beneficiary right by Godo Kaisha Nicolas Capital 6, and rounded down to the nearest million yen.
- “PML” is the PML (Probable Maximum Loss) calculated in the evaluation of seismic risk analysis conducted by Tokio Marine & Nichido Risk Consulting Co., Ltd. as requested as part of due diligence upon acquisition of the real estate trust beneficiary right by Godo Kaisha Nicolas Capital 6, and rounded to one decimal place. Furthermore, “Probable Maximum Loss” means the probable maximum loss that may result from an earthquake and, herein, refers to the extent of damage that may be suffered due to an earthquake of the assumed maximum scale (earthquake with a probability of occurring once in 475 years = earthquake with a 10% probability of occurrence in 50 years) in the assumed scheduled use period (50 years = useful life of a general building), expressed as the estimated cost of restoring such damage as a percentage (%) of the replacement cost.
- “Collateral after acquisition” is whether or not collateral is scheduled to be established after acquisition of the real estate trust beneficiary right by Godo Kaisha Nicolas Capital 6.
- “Status of leasing” is based on the figures and information provided by the previous owner or the trust beneficiary, etc. regarding the content, etc. of the lease agreement, etc. that is valid as of November 30, 2015, unless otherwise stated.
- “Leasable floor space” is the floor space regarded as being available for leasing based on the lease agreement or building drawing, etc. of the building of each asset as of November 30, 2015 for the Property.
- “Leased floor space” is the sum total of the leased floor space indicated in each lease contract or each provisional lease contract for the Property as of November 30, 2015. However, in cases where a pass-through type master lease agreement is scheduled to be concluded, the sum total of the leased floor space of end tenants indicated in each sublease

contract or each provisional sublease contract for the Property as of November 30, 2015. Furthermore, because there are cases where leased floor space indicated in lease contracts, etc. includes the portion not included in total floor space, there are cases where total leased floor space may exceed total floor space.

- Occupancy rate” is the ratio of the leased floor space to the leasable floor space for the Property as of November 30, 2015, and rounded to one decimal place.
- “Total number of tenants” is the sum total of the number of tenants (Note 1) in the lease agreement of the Property indicated in each lease agreement for the Property as of November 30, 2015. Furthermore, in cases where a pass-through type master lease agreement is scheduled to be concluded for the concerned asset, the total number of end tenants (Note 1) is stated. However, even in the case of a pass-through type master lease agreement, in cases where the sub lessee subleasing the entire property from the master lease company has been entrusted with property management and shall pay fixed rent to the master lease company, the total number of tenants is stated as 1.
- “Total rent income (annual)” is the annual rent, or the amount annualized by multiplying the monthly rent by 12, for the building indicated in each lease contract or each provisional lease contract for the Property as of November 30, 2015, and rounded down to the nearest million yen. However, in cases where a pass-through type master lease agreement is scheduled to be concluded between the master lease company and the lessor, etc. in which, in principle, the rent, etc. from end tenants is received as is, the annual rent, or the amount annualized by multiplying the monthly rent by 12, indicated in each sublease contract or each provisional sublease contract with end tenants for the Property as of November 30, 2015 (Note 2), and rounded down to the nearest million yen is stated.
- “Deposits, etc.” is the sum total amount of tenant leasehold and security deposits required based on each lease agreement for the Property as of November 30, 2015 (limited to the tenant leasehold and security deposits based on the lease agreement for the leasing space occupied as of November 30, 2015), and rounded down to the nearest million yen. In cases where a master lease agreement is scheduled to be concluded for the concerned asset, the sum total amount of tenant leasehold and security deposits required based on the lease agreement concluded with end tenants, and rounded down to the nearest million yen is stated.

(Note 1) Excluding warehouse, signboard, parking lot, etc.

(Note 2) For the Property under several lease agreements, the sum total amount thereof. In addition, common area maintenance charges are included, but warehouse, signboard, parking lot, etc. usage fees are not included, and free-rent is not taken into account (excluding consumption taxes).

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*NIPPON REIT Investment Corporation website: <http://www.nippon-reit.com/en>

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