

Japan Retail Fund Investment Corporation Completes the Acquisition of 2 Properties in Japan
(G-Bldg. Shinsaibashi 03 (Bldg. B main building) and G-Bldg. Naha-shintoshin 01)

Japan Retail Fund Investment Corporation (“JRF”) announced today the completion of its acquisition of G-Bldg. Shinsaibashi 03 (Bldg. B main building) and G-Bldg. Naha-shintoshin 01, out of the 4 properties as announced in the press release titled “Japan Retail Fund Investment Corporation to Acquire 4 Properties in Japan” dated February 27, 2017 and the execution of a contract for purchase and sale of G-Bldg. Shinsaibashi 03 (Bldg. B land with leasehold interest), as outlined below.

1. Acquired properties

Property name	Location	Type of asset	Acquisition price (¥ million)	Acquisition date
G-Bldg. Shinsaibashi 03 (Bldg. B) ^(Note 1, 2) (G-Bldg. Shinsaibashi 03 (Bldg. B main building))	Chuo-ku, Osaka-shi, Osaka	Trust beneficiary right in real estate	7,800	March 17, 2017
G-Bldg. Naha-shintoshin 01	Naha-shi, Okinawa	Trust beneficiary right in real estate	5,650	
Total	2 Properties		13,450	

(Note 1) G-Bldg. Shinsaibashi 03 (Bldg. B) consists of the anticipated land and the building thereon marked as ① (“G-Bldg. Shinsaibashi 03 (Bldg. B main building)”) and the anticipated land marked as ② (“G-Bldg. Shinsaibashi 03 (Bldg. B land with leasehold interest)”) in “3. Description of Anticipated Properties G-Bldg. Shinsaibashi 03 (Bldg. B) (1) Property Summary <Schematics of the acquisitions>” in the press release titled “Japan Retail Fund Investment Corporation to Acquire 4 Properties in Japan” announced on February 27, 2017. We plan to acquire G-Bldg. Shinsaibashi 03 (Bldg. B land with leasehold interest) for ¥400 million. Hereinafter the same.

(Note 2) While we had planned to acquire G-Bldg. Shinsaibashi 03 (Bldg. B land with leasehold interest) by December 31, 2017, we have agreed with the seller that we will acquire the property by December 29 2017, in the contract for the purchase and sale of the property we executed with the seller today. The same shall apply hereafter. Also, we have agreed with the seller that if it can be reasonably determined that the building on the land with leasehold interest owned by a third party (the “Third Party’s Building”) can be rebuilt, or if we and the seller decide that it is reasonable to postpone the acquisition of the land with leasehold interest and we and the seller agree to postpone the date of acquisition, the date of acquisition will be postponed until the agreed-upon date.

2. Contents finalized upon completion of the acquisition (changes are indicated by shading and underline)
G-Bldg. Shinsaibashi 03 (Bldg. B) (additional acquisition of an adjacent building)

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3. Description of Anticipated Property
(1) Property Summary

	As of March 17, 2017	As of the initial announcement date: February 27, 2017
Special notes	We <u>acquired</u> the land marked as ① in the <Schematics of the acquisition> <u>below</u> and the building thereon at an acquisition price of ¥7,800 million on March 17, 2017. <u>Also</u> , we plan to acquire the land marked as ② in the <Schematics of the acquisition> <u>below</u> at an acquisition price of ¥400 million by December <u>29</u> , 2017. However, with respect to the land marked as ②, if it can be reasonably determined that the Third Party’s Building in the <u><Schematics of the acquisition></u> can be rebuilt, or if we agree with the seller that it is reasonable to postpone the purchase and sale of the land marked as ② and we and the seller agree to postpone the date of acquisition, it will be postponed until a later date agreed	We <u>plan to acquire</u> the land marked as ① in the <u>below</u> <Schematics of the acquisition> and the building thereon at an acquisition price of ¥7,800 million on March 17, 2017, <u>and</u> we plan to acquire the land marked as ② in the <u>below</u> <Schematics of the acquisition> at an acquisition price of ¥400 million by December <u>31</u> , 2017. However, with respect to the land marked as ②, if it can be reasonably determined that the Third Party’s Building in the <u>schematics of the acquisition</u> can be rebuilt, or if we agree with the seller that it is reasonable to postpone the purchase and sale of the land marked as ② and we and the seller agree to postpone the date of acquisition, it will be postponed until a later date agreed upon by

<p>upon by the seller and us. In addition, if it can be reasonably determined that the Third Party's Building can be rebuilt with conditions that are satisfactory to us, we may negotiate in good faith with the seller to purchase the new building.</p>	<p>the seller and us. In addition, if it can be reasonably determined that the Third Party's Building can be rebuilt with conditions that are satisfactory to us, we may negotiate in good faith with the seller to purchase the new building.</p>
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3. Anticipated properties

(1) Summary of Anticipated properties

Property name	Location	Type of asset	Anticipated acquisition price (¥ million)	Anticipated acquisition date
G-Bldg. Midosuji 01 ^(Note 1)	Chuo-ku, Osaka-shi, Osaka	Trust beneficiary right in real estate	9,975	March 31, 2017
G-Bldg. Shinsaibashi 03 (Bldg. B) (G-Bldg. Shinsaibashi 03 (Bldg. B land with leasehold interest))	Chuo-ku, Osaka-shi, Osaka	Trust beneficiary right in real estate	400	by December 29, 2017
MARINE & WALK YOKOHAMA	Naka-ku, Yokohama-shi, Kanagawa	Trust beneficiary right in real estate	11,300	March 24, 2017, May 1, 2017 ^(Note 2)
Total	3 Properties		21,675	

(Note 1) Name to be used for management purposes after the acquisition; the property is currently named HHK Midosuji Building.

(Note 2) As for MARINE & WALK YOKOHAMA, we plan to acquire a 20% quasi-co-ownership interest in the trust beneficiary right in the property at an anticipated acquisition price of ¥2,260 million on March 24, 2017, and the remaining 80% quasi-co-ownership interest at an anticipated acquisition price of ¥9,040 million on May 1, 2017.

(2) Forward commitment

We entered into a contract for the purchase and sale of G-Bldg. Shinsaibashi 03 (Bldg. B land with leasehold interest) with the seller of the property today. In the contract, we have agreed with the seller to purchase G-Bldg. Shinsaibashi 03 (Bldg. B land with leasehold interest) on a date by December 29, 2017 to be agreed by the parties ^(Note). This agreement constitutes a "forward commitment, etc." as provided in the "Comprehensive Guidelines for Supervision of Financial Instruments Business Operators". The contract provides that in case we, as the purchaser, violate the terms of the contract (including cases where our representations and warranties turn out to be inaccurate or misleading), the seller may cancel the contract and we will be obligated to indemnify the seller for losses, up to an amount of 20% of the total purchase price.

(Note) However, the contract provides that if it can be reasonably determined that the building on the G-Bldg. Shinsaibashi 03 (Bldg. B land with leasehold interest) can be rebuilt, or if we and the seller decide that it is reasonable to postpone the acquisition of the land with leasehold interest, and we and the seller agree to postpone the date of acquisition, the date of acquisition will be postponed until the agreed-upon date.

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.

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