

September 10, 2018

To all concerned parties:

Investment Corporation

Japan Retail Fund Investment Corporation

(Tokyo Stock Exchange Company Code: 8953)

Representative: Shuichi Namba, Executive Director

URL: <http://www.jrf-reit.com/english/>

Asset Management Company

Mitsubishi Corp.-UBS Realty Inc.

Representative: Katsuhisa Sakai, President & CEO

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Notice Concerning the Transfer of Subsidiary Shares by Asset Management Company

Mitsubishi Corp.-UBS Realty Inc., the asset manager (the “Asset Manager”) of Japan Retail Fund Investment Corporation (“JRF”), took the decision at its board of directors meeting held on September 7th, 2018 to conduct the transfer of all shares of Asset Manager subsidiary MCUBS Japan Advisors Inc. (the “Target Company”) to UBS Asset Management A.G., which is one of the shareholders of the Asset Manager (hereinafter “Share Transferree”), as detailed below.

1. Reason for Transfer of Shares

As announced by JRF in its “Notice Concerning the Establishment of Subsidiary by Asset Manager” dated December 11, 2015, Asset Manager established the Target Company as a wholly owned subsidiary of Asset Manager for the purpose of conducting advisory private fund business, and has supported the Target Company as its parent company by providing property information and others.

Now, we have come to believe that the transfer of Target Company shares to Share Transferree is best for business continuity, and decided to execute the Share Transfer.

2. Overview of the Transferring Subsidiary

(1) Company name	MCUBS Japan Advisors Inc.
(2) Address	2-7-3 Marunouchi, Chiyoda-ku, Tokyo
(3) Representative	Yosuke Inagaki, President and CEO
(4) Business	Investment advisory and agency business, Type II financial instruments business
(5) Capital	150 million yen
(6) Net assets	89 million yen (as of March 31, 2018) ^(Note 1)
(7) Total assets	91 million yen (as of March 31, 2018) ^(Note 1)
(8) Established	February 12, 2016
(9) Major shareholder (Shareholding ratio)	Mitsubishi Corp.-UBS Realty Inc. (100%)

(10) Relationship between the investment corporation/ asset management company and the other party	Capital relationship	A subsidiary that the Asset Manager has 100% of its share and a related party defined in the Act on Investment Trusts and Investment Corporations.
	Personal relationship	2 personnel are seconded from the Asset Manager. President & CEO and deputy president of the Asset Manager assume the role as the part-time directors; one personnel assumes the role as the statutory auditor.
	Business relationship	There exists a Memorandum on Provision of Real Estate Information between The Asset Manager and the Target Company.

(Note 1) Figures are rounded down to the nearest million yen.

3. Outline of the Share Transferee

(1) Company name	UBS Asset Management A.G.
(2) Address	Bahnhofstrasse 45, 8001 Zurich Switzerland
(3) Representative	Ulrich Körner, Chairperson of the Board of Directors
(4) Business	Management of the subsidiaries in UBS group related to asset management business
(5) Capital	Not disclosed
(6) Established	September 3 rd , 2014

4. No. of Shares Transferred and Share Ownership Before and After Transfer

(1) Pre-transfer share ownership	6,000 shares (No. of voting rights: 6,000) (Voting right ownership ratio: 100%)
(2) No. of shares transferred	6,000 shares (No. of voting rights: 6,000)
(3) Transfer value	Not disclosed (Note 2)
(4) Post-transfer share ownership	0 share (No. of voting rights: 0) (Voting right ownership ratio: 0%)

(Note 2) Not disclosed as the Share Transferree has not agreed to the disclosure.

5. Schedule of Changes

September 7th, 2018	<ul style="list-style-type: none"> Asset Manager approves the Share Transfer at the board of directors meeting Target Company approves the Share Transfer at the board of directors meeting Signing of the Share Acquisition Agreement
September 28 th , 2018	Execution of the Share Transfer (planned)

6. Notification Accompanying Share Transfer

Asset Manager shall, after execution of the Share Transfer, submit notification thereof to the Commissioner of the Financial Services Agency without delay in accordance with Article 50-1-8 of the Financial Instruments and Exchange Act and Article 199-3 of the Cabinet Office Ordinance on Financial Instrument Business.

7. Approach to Conflict of Interest

Asset Manager established its Deal Review Meeting for verifying the handling of investment information, with the aim of preventing any conflict of interest in JRF and Industrial & Infrastructure Fund Investment Corporation (“IIF”), ensuring the fidelity of Asset Manager’s business with JRF and IIF, and delivering appropriate support to MCUBS MidCity Investment Corporation (“MidCity”) and the Target Company.

In line with the transfer of Target Company shares by Asset Manager, Asset Manager is today terminating the memorandum on the provision of property information signed with the Target Company on May 1, 2016, and simultaneously entering into a similar new memorandum on the consideration of property information with the Target Company. In addition to terminating the said memorandum and entering into a new one, Asset Manager will update some of its rules on priority rights of consideration pertaining to investment information on September 28th, 2018 and plans to delete provisions on the Target Company, but there will be no substantial change to the sequence of priority rights of consideration of JRF, IIF and MidCity.

8. Future Outlook

This Share Transfer will not impact JRF’s performance for the August 2018 fiscal period (from March 1, 2018 to August 31, 2018) and February 2019 fiscal period (from September 1, 2018 to February 28, 2019); thus, we have made no revision to our forecasts.