

Think bold today for a brighter tomorrow.



Investment Corporation

Japan Retail Fund Investment Corporation

(Tokyo Stock Exchange Company Code: 8953)

Representative: Shuichi Namba, Executive Director

URL: <https://www.jrf-reit.com/English/>

Asset Management Company

Mitsubishi Corp. –UBS Realty Inc.

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Supplementary material on “Notice Concerning Amendment of Articles of Incorporation and Appointment of Directors”
announced on October 15, 2019.

Notice Concerning Change in the Asset Management Fee Structure



Japan Retail Fund Investment Corporation

Change to Asset Management Fee structure linked to unitholder's profit

Points of change in Asset Management Fee structure

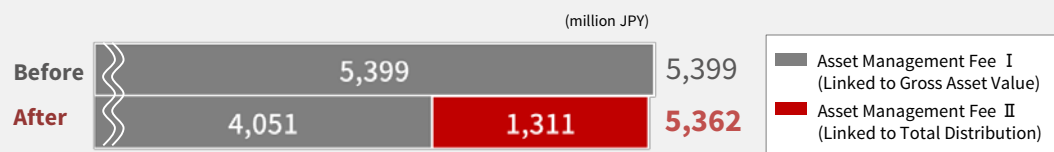
Changes that increase the linkage between distributions and asset management fees

- ✓ Reduce the Gross Asset Value-linked fee rate
- ✓ Introduce the Profit-linked fee linked to distributions
- ✓ Introduce the Disposition Fee to promote asset replacement more powerfully
(No Disposition Fee shall be paid in the case of a capital loss from disposition)

Asset Management Fee estimates retroactively calculated based on new rates

(Total amount of Asset Management Fee I and Asset Management Fee II, not including Acquisition Fee and Disposition Fee)

■ Based on results for the FP ended Feb. 2019 (34th) and Aug. 2019 (35th)



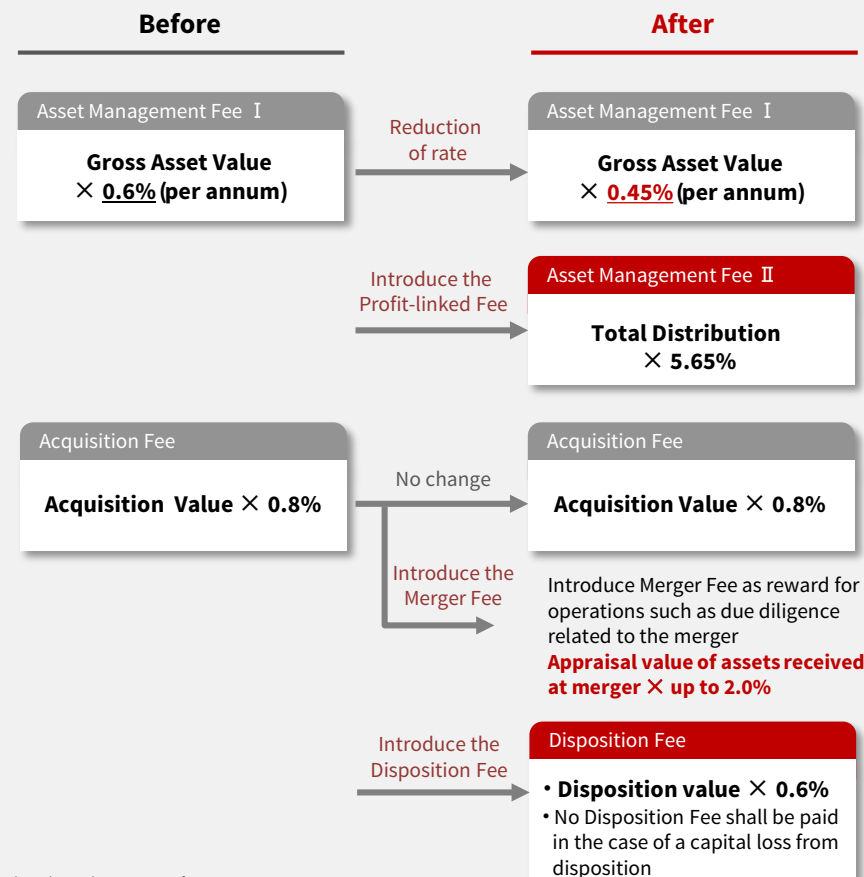
Annual decrease of about **40 million yen**

By adopting a fee structure in which amount of asset management fees is linked to total distribution,

Strengthen asset managers' commitment to distribution growth

<Overview of changes in Asset Management Fee structure^(Note)>

Scheduled to be applied from Mar. 1, 2020 (beginning of the Aug. 2020 period (37th))



(Note) See the next page for notes.

(Note) Notes on the Overview of changes in Asset Management Fee structure

- This change is based on the premise that Resolution Proposal 1 “Partial amendment of the Articles of Incorporation” will be approved as originally proposed at the General Meeting of Unitholders scheduled to be held on November 22, 2019.
- The rates listed in this press release are different from the rates in the Articles of Incorporation.
<Rate before change> The rates based on the previous Asset Management Agreement signed between the Investment Corporation and the Asset Management Company
<Rate after change> The rates based on the Memorandum of Amendments to the Asset Management Agreement signed today between the Investment Corporation and the Asset Management Company
The rates according to the Articles of Investment Corporation are as follows.
<Before> Asset Management Fee: Gross Asset Value* x up to 1% (per annum), Acquisition Fee: Acquisition Value x up to 2%
<After> Asset Management Fee I : Gross Asset Value* x up to 0.75% (per annum), Asset Management Fee II : Total Distribution** x up to 9%,
Acquisition Fee: Acquisition Value x up to 2%, Disposition Fee: Disposition Value x up to 1.5%, Merger Fee: Appraisal Value of Assets Received at Merger x up to 2%
* For the calculation method of the Gross Asset Value, please refer to “Part1. Fund Information, Item 1. Status of Fund, 4. Charges, etc. and Taxation, (3) Management Fee, etc., (iii) Fees for Asset Management Company (Article 29 of the Articles Incorporation) set out in the Annual Securities Report for the FP ended Feb. 2019 (34th).”
** The Total Distribution is the amount of distribution (Distribution per unit x units issued outstanding) stated on the statement of distribution of monies for the immediately preceding business period.
- The capital loss from disposition arises when the numerical value calculated by the following formula is negative. If it is positive, the Disposition Fee will be applied.
$$\text{Disposition Value} - (\text{Book Value as of the date of the disposition} + \text{expenses incurred for disposition} + \text{Disposition Fee})$$

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

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Disclaimer

- This material may contain information such as data on future performance, plans, management targets, and strategies. Such descriptions with regard to the future are based on current hypotheses and assumptions about future events and trends in the business environment, but these hypotheses and assumptions are not necessarily correct. As such, actual results may vary significantly due to various factors.
- This material is prepared based on Japanese accounting principles unless otherwise noted.
- This material is to be used for change in the Asset Management Fee Structure, etc., and is not prepared for the purpose of soliciting the acquisition of JRF's investment securities or the signing of financial instruments contracts. When investing, we ask investors to invest on their own responsibility and their own judgment.
- JRF is a publicly-offered real estate investment corporation (J-REIT) investing in real estate and related assets the prices of which may fluctuate. Unitholders of the Investment Corporation may suffer loss when unit prices decline in the market or an amount of distributions declines, according to economic and interest rate circumstances, a balance of supply and demand for units, real estate market environment, fluctuations of prices of, and rent revenues from real estate properties under management, disasters, aggravation of financial status of JRF and other reasons. For details, please see "Investment Risk" in the Securities Report of JRF.

Asset Management Company : Mitsubishi Corp.- UBS Realty Inc.

(Financial Instruments Dealer Director of Kanto Financial Bureau (Financial Instruments Dealer) Number 403, Member of The Investment Trusts Association, Japan)