

June 8, 2018

For Immediate Release

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Notice Concerning Issuance of New Investment Units  
and Secondary Offering of Investment Units

NIPPON REIT Investment Corporation (“NIPPON REIT”) announces that, at a meeting of the board of officers of NIPPON REIT held on June 8, 2018, the following resolution was passed concerning the issuance of new investment units and secondary offering of investment units.

1. Issuance of new investment units through a public offering

- (1) Number of Investment Units to be offered  
55,400 investment units
- (2) Issue price (offer price)  
To be determined

The issue price (offer price) shall be determined at a meeting of the board of officers of NIPPON REIT to be held on a day between June 20, 2018 (Wednesday) and June 25, 2018 (Monday) (the “Pricing Date”), in accordance with the methods provided for in Article 25 of the Regulations Concerning Underwriting of Securities set forth by the Japan Securities Dealers Association, using as a tentative price a figure obtained by multiplying a number from 0.90 to 1.00 by an amount calculated by deducting the expected distribution per unit for the fiscal period ending June 2018 (excluding the expected distribution in excess of earnings) of 8,387 yen from the closing price of the investment units of NIPPON REIT (the “Investment Units”) for ordinary trading at the Tokyo Stock Exchange, Inc. (the “Tokyo Stock Exchange”) on the Pricing Date (in the event that no closing price is available on such date, the closing price on the immediately preceding date) (any fraction of one yen shall be rounded down to the nearest yen), in consideration of the status of demand and other factors.

- (3) Total amount of issue price (offer price)  
To be determined

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This press release does not constitute an offer of securities in the United States of America. The securities referred to above have not been, and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The securities may not be offered or sold in the United States absent registration or an exemption from registration under the Securities Act. The securities referred to above will not be publicly offered or sold in the United States.

- (4) Amount to be paid in (issue amount)  
To be determined  
The amount to be paid in shall be determined at a meeting of the board of officers of NIPPON REIT to be held on the Pricing Date, in accordance with the methods provided for in Article 25 of the Regulations Concerning Underwriting of Securities set forth by the Japan Securities Dealers Association.
- (5) Total amount to be paid in (issue amount)  
To be determined
- (6) Offering method  
All investment units shall be offered simultaneously in Japan and overseas.  
(i) Domestic Public Offering  
The offering in Japan (the “Domestic Public Offering”) shall be a primary offering in which all investment units for the Domestic Public Offering shall be purchased and underwritten by certain underwriters (collectively referred to as the “Domestic Underwriters”).  
(ii) International Offering  
The offering overseas (the “International Offering”) shall be an offering in international markets, consisting mainly of the U.S., European and Asian markets (provided, however, that the offering in the U.S. market shall be restricted to qualified institutional buyers pursuant to Rule 144A under the U.S. Securities Act of 1933, as amended) in which all investment units subject to the International Offering shall be purchased and underwritten in the total amount by an international underwriter (the “International Underwriter” and together with the Domestic Underwriters, collectively referred to as the “Underwriters”).  
The total number of units to be issued in the (i) Domestic Public Offering and (ii) International Offering shall be 26,315 units and 29,085 units, respectively, but the final breakdown shall be determined on the Pricing Date up to the total number of units to be issued, 55,400 units, taking into consideration the status of demand and other factors.
- (7) Content of underwriting agreement  
The Underwriters shall pay to NIPPON REIT the total amount to be paid in (issue amount) for the Domestic Public Offering and the International Offering on the payment date stated in (10) below, and the difference from the total amount of issue price (offer price) shall be the proceeds of the Underwriters. NIPPON REIT shall not pay an underwriting fee to the Underwriters.
- (8) Unit of application  
One unit or more in multiples of one unit
- (9) Application period (Domestic Public Offering)  
From the business day immediately following the Pricing Date to the second business day following the Pricing Date
- (10) Payment date  
July 2, 2018 (Monday)
- (11) Delivery date  
July 3, 2018 (Tuesday)
- (12) The issue price (offering price), amount to be paid in (issue amount) and other matters necessary for this issuance of new investment units shall be determined at a future meeting of the board of officers of NIPPON REIT.

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(13) Matters concerning the Domestic Public Offering described in each of the items above shall be subject to the condition that the registration under the Financial Instruments and Exchange Act takes effect.

2. Secondary offering of Investment Units (secondary distribution via over-allotment)  
(Please refer to <Reference>1. below)

(1) Number of Investment Units to be distributed  
2,770 Investment Units

The number of investment units to be distributed above is shown as the maximum number. The number of investment units to be distributed may be lower, or the secondary distribution via over-allotment itself may not take place at all, depending on the status of demand and other factors of the Domestic Public Offering. The number of investment units to be distributed shall be determined at a meeting of the board of officers of NIPPON REIT to be held on the Pricing Date, taking into account the level of demand and other factors of the Domestic Public Offering.

(2) Secondary distribution price  
To be determined

The secondary distribution price shall be determined on the Pricing Date. The secondary distribution price shall be the same as the issue price (offer price) of the Domestic Public Offering.

(3) Total amount of secondary distribution price  
To be determined

(4) Secondary distribution method

The lead manager of the Domestic Public Offering (the "Lead Manager") shall conduct a secondary distribution of NIPPON REIT investment units in Japan, which it shall borrow from Sojitz Corporation in a number not to exceed 2,770 units, upon the Domestic Public Offering, taking into account the status of demand and other factors of the Domestic Public Offering.

(5) Unit of application  
One unit or more in multiples of one unit

(6) Application period  
The application period shall be the same as the application period of the Domestic Public Offering.

(7) Delivery date  
The delivery date shall be the same date as the delivery date of the Domestic Public Offering.

(8) If the Domestic Public Offering is suspended, the secondary distribution via over-allotment shall also be suspended.

(9) The secondary distribution price and other matters necessary for this secondary distribution of investment units shall be determined at a future meeting of the board of officers of NIPPON REIT.

(10) Each of the items above shall be subject to the condition that the registration under the Financial Instruments and Exchange Act takes effect.

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3. Issuance of new investment units by way of a third-party allotment (“third-party allotment”)  
(Please refer to <Reference>1. Below)
- (1) Number of Investment Units to be offered  
2,770 Investment Units
  - (2) Amount to be paid in (issue amount)  
To be determined  

The amount to be paid in (issue amount) shall be determined at a meeting of the board of officers of NIPPON REIT to be held on the Pricing Date. The amount to be paid in (issue amount) shall be the same as the amount to be paid in (issue amount) of the Domestic Public Offering.
  - (3) Total of amount to be paid in (issue amount)  
To be determined
  - (4) Unit of application  
One unit or more in multiples of one unit
  - (5) Application period (application date)  
July 23, 2018 (Monday)
  - (6) Payment date  
July 24, 2018 (Tuesday)
  - (7) NIPPON REIT investment units for which no application has been filed during the application period (application date) stated in (5) above shall not be issued.
  - (8) The amount to be paid in (issue amount) and other matters necessary for this issuance of new investment units shall be determined at a future meeting of the board of officers of NIPPON REIT.
  - (9) If the Domestic Public Offering is suspended, the third-party allotment shall also be suspended.
  - (10) Each of the items above shall be subject to the condition that the registration under the Financial Instruments and Exchange Act takes effect.

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<Reference>

1. Secondary Distribution via Over-allotment

There are cases where the Lead Manager may conduct a secondary distribution (secondary distribution via over-allotment) of NIPPON REIT investment units, which it shall borrow from Sojitz Corporation in a number not to exceed 2,770 units, upon the Domestic Public Offering, taking into account the level of demand and other factors of the Domestic Public Offering. The number of investment units to be distributed in the secondary distribution via over-allotment is scheduled to be 2,770 units. The concerned number of investment units to be distributed is the maximum number. The number may decrease, or the secondary distribution via over-allotment itself may not take place at all, depending on the status of demand and other factors.

In connection with the secondary distribution via over-allotment, at a meeting of the board of officers of NIPPON REIT held on June 8, 2018 (Friday), NIPPON REIT passed a resolution to issue 2,770 units of NIPPON REIT investment units by way of third-party allotment to the Lead Manager with July 24, 2018 (Tuesday) as the payment date in order for the Lead Manager to acquire the NIPPON REIT investment units necessary for the Lead Manager to return the NIPPON REIT investment units borrowed from Sojitz Corporation (the “borrowed investment units”).

During the period from the date following the last application period for the Domestic Public Offering and the secondary distribution via over-allotment until July 17, 2018 (Tuesday) (the “syndicate covering transaction period”), there are cases where the Lead Manager may purchase NIPPON REIT investment units on the Tokyo Stock Exchange, which shall be in a number not to exceed the number of investment units pertaining to the secondary distribution via over-allotment, for the purpose of returning the borrowed investment units (the “syndicate covering transaction”). All of the NIPPON REIT investment units acquired by the Lead Manager in the syndicate covering transaction shall be allocated to returning the borrowed investment units. Furthermore, during the syndicate covering transaction period, there are cases where the Lead Manager may decide not to engage in the syndicate covering transaction at all, or end the syndicate covering transaction in a number not reaching the number of investment units pertaining to the secondary distribution via over-allotment.

In addition, the Lead Manager may engage in stabilizing transactions in connection with the Domestic Public Offering and the secondary distribution via over-allotment, and may use all or part of the NIPPON REIT investment units purchased through such stabilizing transactions to return the borrowed investment units.

The Lead Manager is scheduled to acquire NIPPON REIT investment units by applying for the allotment pertaining to the third-party allotment in the number of investment units arrived at when the number of investment units acquired in the syndicate covering transaction and stabilizing transactions, which is allocated to returning the borrowed investment units, is deducted from the number of investment units pertaining to the secondary distribution via over-allotment. For this reason, there are cases where an application may not be filed for the number of investment units to be issued in the third-party allotment, in whole or in part. As a result, the final number of investment units issued in the third-party allotment may decrease by up to the number of investment units acquired in the syndicate covering transaction and stabilizing transactions, or the issuance itself may not take place at all, due to forfeiture.

Whether or not the secondary distribution via over-allotment will be conducted, and the number of units to be sold if the secondary distribution via over-allotment is conducted, will be determined on the Pricing Date. In the case where the secondary distribution via over-allotment is not conducted, the above-mentioned borrowing of investment units by the Lead Manager from Sojitz Corporation will not be conducted. Therefore, the Lead Manager will not accept and will not subscribe for the third-party allotment, and the issuance of investment units through the third-party allotment itself will be cancelled entirely. Also, the syndicate covering transactions on the Tokyo Stock Exchange will not be conducted.

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2. Changes in number of investment units issued and outstanding as a result of this issuance of new investment units

Total number of investment units issued and outstanding at present	391,760 units
Increase in number of investment units due to the issuance of new investment units through public offering	55,400 units
Total number of investment units issued and outstanding after the issuance of new investment units through public offering	447,160 units
Increase in number of investment units due to the third-party allotment	2,770 units (Note)
Total number of investment units issued and outstanding after the third-party allotment	449,930 units (Note)

(Note) The number of investment units in the event that application is filed by the Lead Manager and issuance takes place for all of the number of investment units to be issued in the third-party allotment.

3. Objective and rationale for the issuance

NIPPON REIT has continued to build its pipeline by forming bridge funds, etc. since its previous follow-on offering in July 2015. NIPPON REIT decided to issue new investment units in order to increase its unitholder value through building a risk-resistant portfolio with expansion of asset size and diversification at both the level of properties and tenants through the acquisition of new specified assets, after considering the market conditions and other factors.

4. Amount, use and scheduled outlay of funds to be procured

(1) Amount of funds to be procured (estimated net proceeds)

17,529,000,000 yen (maximum)

(Note) The amount above is the sum total amount of 7,930,000,000 yen in proceeds from the Domestic Public Offering, 8,765,000,000 yen in proceeds from the International Offering and 834,000,000 yen in maximum proceeds from the issuance of new investment units by way of third-party allotment. In addition, the amount above is the expected amount calculated based on the closing price of the investment units on the Tokyo Stock Exchange as of May 28, 2018 (Monday).

(2) Specific use and scheduled outlay of funds to be procured

Proceeds from the Domestic Public Offering and the International Offering are scheduled to be used as the part of the funds for acquisition of specified assets (as defined in Article 2, Paragraph 1 of the Act on Investment Trusts and Investment Corporations of Japan; the same applies hereinafter) (Note) that NIPPON REIT is scheduled to acquire on July 3, 2018. Furthermore, proceeds from the issuance of new investment units by way of third-party allotment are scheduled to be kept as cash on hand and deposited with financial institutions until the time of expenditure and used to fund future acquisitions of specific assets or used to repay part of the borrowings.

(Note) Please refer to "Notice Concerning Acquisition and Leasing of Asset" announced as of today for details of such specified assets.

5. Designation of allottee

Not applicable.

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6. Lock-up

(1) In connection with the Domestic Public Offering and the International Offering, Sojitz Corporation has reached an agreement with the global coordinator to the effect that, without the prior written consent of the global coordinator, no sale, etc. of NIPPON REIT investment units (provided, however, that this shall exclude lending, etc. of NIPPON REIT investment units accompanying the secondary distribution via over-allotment) shall be conducted during the period beginning on the Pricing Date and ending on the date that is the 180<sup>th</sup> day after the delivery date of the Domestic Public Offering. In the event of the above, the global coordinator has the authority to cancel the concerned agreement, in whole or in part, at its discretion.

(2) In connection with the Domestic Public Offering and the International Offering, NIPPON REIT has reached an agreement with the global coordinator to the effect that, without the prior written consent of the global coordinator, no issuance, etc. of NIPPON REIT investment units (provided, however, that this shall exclude issuance, etc. of new investment units accompanying the Domestic Public Offering, the International Offering, the third-party allotment and the split of investment units) shall be conducted during the period beginning on the Pricing Date and ending on the date that is the 90<sup>th</sup> day after the delivery date of the Domestic Public Offering. In the event of the above, the global coordinator has the authority to cancel the concerned agreement, in whole or in part, at its discretion.

\*This material is distributed to the press club of the Tokyo Stock Exchange (Kabuto Club), the press club of the Ministry of Land, Infrastructure, Transport and Tourism, and the press club for construction trade publications of the Ministry of Land, Infrastructure, Transport and Tourism.

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

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