



April 4, 2005

To whom it may concern:

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Notice of Revision of Forecast Results for the 7th Period (March 31, 2005) and the 8th Period (September 30, 2005)

Japan Real Estate Investment Corporation (the “Corporation”) has revised its forecast results as shown below for the 7th Period (October 1, 2004 through March 31, 2005) and the 8th Period (April 1, 2005 through September 30, 2005), which had been announced on November 18, 2004 on the occasion of announcement of business results for the 6th Period (April 1, 2004 through September 30, 2004).

1. Revision of Forecast Results for the 7th Period (October 1, 2004 through March 31, 2005)

Unit: Millions of Yen except for per unit information and percentages

	Operating Revenue	Net Income	Distribution per Unit (Excluding Distribution in Excess of Earnings)	Distribution in Excess of Earnings per Unit
Previously announced forecast (A)	10,400	4,000	¥15,400	—
Revised forecast (B)	10,700	4,100	¥15,700	—
Amount of increase/decrease (B-A)	300	100	¥300	—
Rate of increase/decrease	2.9%	2.5%	1.9%	—

(Reference Period) the 6th Period	10,151	3,830	¥14,711	—
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(Note 1) Number of units outstanding as of March 31, 2005: 260,400

(Note 2) Figures have been rounded down to eliminate amounts of less than one unit.

Disclaimer: This document is intended to serve as a press statement to make available the information on revised forecast results of Japan Real Estate Investment Corporation (the “Corporation”) for the 7th Period (October 1, 2004 through March 31, 2005) and the 8th Period (April 1, 2005 through September 30, 2005), and does not constitute and should not be construed as an offer to sell or solicitation of an offer to purchase any unit or other investment of the Corporation. Prospective unitholders are advised to read the Corporation’s prospectus for new unit issuance (and its amendments, if any) before making investment decisions for yourself.

2. Revision of Forecast Results for the 8th Period (April 1, 2005 through September 30, 2005)

Unit: Millions of Yen except for per unit information and percentages

	Operating Revenue	Net Income	Distribution per Unit (Excluding Distribution in Excess of Earnings)	Distribution in Excess of Earnings per Unit
Previously announced forecast (A)	10,400	4,000	¥15,400	—
Revised forecast (B)	12,800	5,400	¥15,800	—
Amount of increase/decrease (B-A)	2,400	1,400	¥400	—
Rate of increase/decrease	23.1%	35.0%	2.6%	—

(Reference) Expected number of units outstanding as of September 30, 2005: 345,400

(Note 1) The above expected number of units outstanding as of September 30, 2005 is computed under the preconditions described in the accompanying document.

(Note 2) Figures have been rounded down to eliminate amounts of less than one unit.

3. Reasons for the Revision

The Corporation has revised its forecast results for the 8th Period (April 1, 2005 through September 30, 2005) since the Board of Directors of the Corporation resolved the additional new issue of units at the meeting held on April 4, 2005 for the purpose of fund-raising, primarily for acquisition of new properties. The Corporation has also revised its forecast results for the 7th Period (October 1, 2004 through March 31, 2005) accordingly.

In addition, the revised forecast results for the 8th Period are computed under the preconditions described in the accompanying document titled “Preconditions for Revision of Forecast Results for the 8th Period (April 1, 2005 through September 30, 2005)”.

Based on the assumption that things occur exactly as stated in the accompanying document titled “Preconditions for Revision of Forecast Results for the 8th Period (April 1, 2005 through September 30, 2005)” and there are no changes in properties owned by the Corporation and other conditions successively, the Corporation expects operating revenue, net income and distribution per unit for the 9th Period (October 1, 2005 through March 31, 2006) to be 12,800 million yen, 5,400 million yen and 15,900 yen, respectively.

However, the actual operating revenue, net income and distribution per unit may vary depending on additional acquisition or sale of properties and the market environment. In addition, these figures are not a guarantee of future results or distribution.

This notice is the English translation of April 4, 2005 announcement in Japanese on our website. However, no assurance or warranties are given for the completeness or accuracy of this English translation.

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<Reference> The comparative table of the revised forecast results for each period is as shown below:

Unit: Millions of Yen except for per unit information

	Operating Revenue	Net Income	Distribution per Unit (Excluding Distribution in Excess of Earnings)	Distribution in Excess of Earnings per Unit
Forecast Results for the 7th Period (March 31, 2005)	10,700	4,100	¥15,700	—
Forecast Results for the 8th Period (September 30, 2005)	12,800	5,400	¥15,800	—
Forecast Results for the 9th Period (March 31, 2006)	12,800	5,400	¥15,900	—

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Preconditions for Revision of Forecast Results for the 8th Period (April 1, 2005 through September 30, 2005)

Computation Period	April 1, 2005 through September 30, 2005 (183 days)
Number of properties held by the Corporation	The Corporation set the precondition that 47 properties held by the Corporation as of April 4, 2005 would remain during the period. However, the actual number will vary depending on additional acquisition or sale of properties.
Number of units outstanding as of September 30, 2005	The Corporation assumes that the number of units outstanding as of September 30, 2005 would be 345,400 units, which are comprised of the current outstanding and issued 260,400 units as of April 4, 2005 plus 85,000 units to be newly issued as determined by resolution at the Board of Directors meeting held on April 4, 2005.
Interest-bearing debt ratio (=Interest-bearing debt / Total assets)	The Corporation assumes that interest-bearing debt ratio (=interest-bearing debt / total assets) as of September 30, 2005 would be approximately 30%, taking into account that the unitholders' capital would be increased by approximately 68,300 million yen due to the additional issuance of 85,000 new units determined by resolution at the Board of Directors meeting held on April 4, 2005. However, the above interest-bearing debt ratio may vary depending on the final issue price of units to be additionally issued by the Corporation.
Operating expenses	Fixed asset tax, city-planning tax and depreciable property tax levied on properties held by the Corporation will be expensed in the operational cost of building rental services in proportion to the duration of each computation period. However, when an adjustment amount (so-called "amount equivalent to fixed asset tax") arises between the Corporation and a transferor in the acquisition of new property in a calendar year covering the relevant computation period, such adjustment amount will not be expensed in the relevant computation period and booked at acquisition cost of such new property.
Distribution of earnings	The Corporation assumes that it will not make a distribution in excess of earnings. Accordingly, the envisaged distribution policy is to make cash distributions to the extent of accounting profits and return profit as a cash distribution in excess of 90% of earnings available for dividends, pursuant to the provisions stipulated in the Articles of Incorporation.

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