



May 19, 2015

For Translation Purposes Only

Real Estate Investment Fund Issuer:
Mori Hills REIT Investment Corporation
(Securities Code: 3234)
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MHR Announces Issuance of Investment Corporation Bonds

Mori Hills REIT Investment Corporation (hereafter “MHR”) hereby announces that it decided to issue investment corporation bonds in accordance with the Act on Book-Entry Transfer of Company Bonds, Shares, etc. based on the “Resolution Related to Information for Engagement of Underwriters for Investment Corporation Bonds Offering” at the Board of Directors Meeting held on April 27, 2015.

1. Overview of Investment Corporation Bonds

(1) Name of investment corporation bonds

MHR Thirteenth Series Unsecured Investment Corporation Bond (subject to a limited pari passu clause between specified investment corporation bonds) (hereafter, “Thirteenth Series Investment Corporation Bond”).

MHR Fourteenth Series Unsecured Investment Corporation Bond (subject to a limited pari passu clause between specified investment corporation bonds) (hereafter, “Fourteenth Series Investment Corporation Bond”).

Hereafter, the Thirteenth Series Investment Corporation Bond and Fourteenth Series Investment Corporation Bond will collectively be referred to as the “Investment Corporation Bonds.” There will be no particular mention as to which bond, if the item is common to both the Thirteenth Series Investment Corporation Bond and Fourteenth Series Investment Corporation Bond.

(2) Total issue amount of the investment corporation bonds

Thirteenth Series Investment Corporation Bond: 3 billion yen
Fourteenth Series Investment Corporation Bond: 2 billion yen
Total: 5 billion yen

(3) Certificates

The stipulation of the Act on Book-Entry Transfer of Company Bonds, Shares, etc. will be applied to the Investment Corporation Bonds. Thus, investment corporation bond certificates will not be issued for the Investment Corporation Bonds.

(4) Payment price

100 yen per face value of 100 yen in respective Investment Corporation Bonds

(5) Redemption price

100 yen per face value of 100 yen in respective Investment Corporation Bonds

- (6) Interest rate
Thirteenth Series Investment Corporation Bond: 0.322% per annum
Fourteenth Series Investment Corporation Bond: 0.820% per annum
- (7) Amount of respective investment corporation bonds
100 million yen
- (8) Offering method
Primary offering
- (9) Subscription period
May 19, 2015
- (10) Payment date
May 26, 2015
- (11) Collateral and guarantee
The Investment Corporation Bonds are unsecured and unguaranteed. There is also no particular asset retained for the Investment Corporation Bonds.
- (12) Redemption method and maturity
Thirteenth Series Investment Corporation Bond:
The total amount of the Investment Corporation Bond will be redeemed on May 26, 2020.
Fourteenth Series Investment Corporation Bond:
The total amount of the Investment Corporation Bond will be redeemed on May 26, 2025.
- Redemption by purchase of the Investment Corporation Bonds by MHR is allowed at any time starting on the day following the payment date, unless otherwise specified by the book-entry transfer institution mentioned under (16) below.
- (13) Interest payment date
The first payment date will be November 26, 2015, and thereafter on May 26 and November 26 of each year.
(If the interest payment date is a bank holiday, then the bank business day preceding it shall be deemed as the interest payment date.)
- (14) Special financial condition
Negative pledge clause is applicable
- (15) Credit rating
Japan Credit Rating Agency, Ltd.: AA-
- (16) Book-entry transfer institution
Japan Securities Depository Center, Inc.
- (17) Fiscal agent, issuing agent and paying agent
Mitsubishi UFJ Trust and Banking Corporation
- (18) Underwriting securities companies
SMBC Nikko Securities Inc.
Daiwa Securities Co., Ltd.

2. Reason for Issuance

For allocation to the redemption of 5 billion yen in MHR Fourth Series Unsecured Investment Corporation Bond whose redemption date is May 27, 2015.

3. Amount of Funds to be Procured, Use of Funds and Planned Expenditure Period
 - (1) Amount of funds to be procured (estimated paid-in amount): 4,966 million yen
 - (2) Specific use of funds to be procured and planned execution period
 - 1) Specific use of funds: For allocation to the redemption of 5 billion yen in MHR Fourth Series Unsecured Investment Corporation Bond whose redemption date is May 27, 2015
 - 2) Amount (millions of yen): 4,966 million yen (cash on hand is planned to be allocated to cover the difference of 34 million yen)
 - 3) Planned execution period: May 27, 2015

4. Borrowings, etc. after the Issuance of the Investment Corporation Bonds

(unit: millions of yen)

	Before the Issuance	After the Issuance	Change
Short-term loans payable	0	0	0
Long-term loans payable	106,200	106,200	0
Total loans payable	106,200	106,200	0
Investment corporation bonds	24,000	24,000	0
Total of loans payable and investment corporation bonds	130,200	130,200	0
Total interest-bearing debt	130,200	130,200	0

(Note 1) Indicates the borrowings, etc. as of May 27, 2015 after the issuance of the Investment Corporation Bonds (after redemption of 5 billion yen in MHR Fourth Series Unsecured Investment Corporation Bond mentioned under 3. (2) above).

(Note 2) Long-term loans payable include the current portion of long-term loans payable.

5. Other Items Required for Investors to Appropriately Understand/Judge the Concerned Information

As for risks regarding redemption of the Investment Corporation Bonds, etc. there are no material changes from the content of the investment risks indicated in the Semiannual Securities Report (Japanese) for the seventeenth fiscal period (ended January 31, 2015) submitted on April 27, 2015.

- This press release was distributed to the Kabuto Club (the press club of the Tokyo Stock Exchange), the Ministry of Land, Infrastructure, Transport and Tourism Press Club, and the Ministry of Land, Infrastructure, Transport and Tourism Press Club for Construction Publications.
- MHR's website address is <http://www.mori-hills-reit.co.jp/>