

For Translation Purposes Only

Real Estate Investment Fund Issuer:  
Mori Hills REIT Investment Corporation  
(Securities Code: 3234)  
1-8-7 Roppongi, Minato-ku, Tokyo  
Hideyuki Isobe, Executive Director

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### MHR Announces Issuance of Investment Corporation Bonds

Mori Hills REIT Investment Corporation (hereinafter “MHR”) 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 underwriter for investment corporation bonds offering” at the Board of Directors Meeting held October 25, 2012.

#### 1. Overview of Investment Corporation Bonds

##### (1) Name of Investment Corporation Bonds

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

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

Hereinafter, the Sixth Series Investment Corporation Bond and Seventh 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 Sixth Series Investment Corporation Bond and Seventh Series Investment Corporation Bond.

##### (2) Total issue amount of the Investment Corporation Bonds

Sixth Series Investment Corporation Bond: 5 billion yen  
Seventh Series Investment Corporation Bond: 2 billion yen  
Total: 7 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  
Sixth Series Investment Corporation Bond: 0.78%per annum  
Seventh Series Investment Corporation Bond: 0.97%per annum
- (7) Amount of Respective Investment Corporation Bonds  
100 million yen
- (8) Offering Method  
Public offering
- (9) Subscription Period  
November 16, 2012
- (10) Payment Date  
November 28, 2012
- (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  
Sixth Series Investment Corporation Bond: The total amount of the Investment Corporation Bond will be redeemed on November 27, 2015.  
Seventh Series Investment Corporation Bond: The total amount of the Investment Corporation Bond will be redeemed on November 28, 2017.
- Redemption by purchase of the Investment Corporation Bonds by MHR is allowed at all times starting on the following day of the payment date, unless otherwise specified by the Institution for Book-entry Transfer mentioned under (16) below.
- (13) Interest Payment Date  
The first payment date will be May 28, 2013 and thereafter, May 28 and November 28 of each year. (However, November 27, 2015 will be the interest payment date for the Sixth Series Investment Corporation Bond during the period from May 29, 2015 (including this date) to its redemption date, November 27, 2015 (including this date))  
(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 Agreement  
Negative pledge is applied
- (15) Credit Rating  
JCR: AA-
- (16) Institution for Book-entry Transfer  
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.  
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.  
Mizuho Securities Co., Ltd.

2. Reason for Issuance

For allocation to the redemption of 7 billion yen in First Series Unsecured Investment Corporation Bond whose redemption date is November 29, 2012.

3. Amount Obtained through Funding, Use of Funds and Planned Payment Period Using the Acquired Funds

(1) Amount Obtained through Funding (estimated paid-in amount): 6,961 million yen

(2) Details on the Use of Funds Obtained through Funding and Planned Payment Period Using the Acquired Funds

1) Use of Funds: For allocation to the redemption of 7 billion yen in First Series Unsecured Investment Corporation Bond whose redemption date is November 29, 2012

2) Amount (millions of yen): 6,961 million yen (cash on hand is planned to be allocated to cover the difference which equals 39 million yen)

3) Planned Payment Period: November 29, 2012

4. Borrowing Amount, etc. after the Issuance of the Investment Corporation Bonds

(unit: millions of yen)

	Before the Issuance	After the Issuance	Change
Short-term borrowings	4,478	4,478	0
Long-term borrowings	77,409.5	77,409.5	0
Total borrowings	81,887.5	81,887.5	0
Investment corporation bonds	25,000	25,000	0
Total of borrowings and investment corporation bonds	106,887.5	106,887.5	0
Total interest-bearing borrowings	106,887.5	106,887.5	0

(Note 1) Indicates the borrowing amount, etc. as of November 29, 2012 after the Issuance of the Investment Corporation Bonds (after redemption of 7 billion yen in First Series Unsecured Investment Corporation Bond mentioned under 3. (2) above).

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

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

As for risk regarding redemption of the Investment Corporation Bonds, etc. there are no material changes from the content of investment risk indicated in the Semiannual Securities Report (Japanese) for the twelfth fiscal period (ended July 31, 2012) submitted on October 25, 2012.

- 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/>