

May 13, 2010

Press Release

Issuer of Real Estate Investment Trust Securities

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Notice of Issuance of New Investment Units through Public Offering and Second Offering of Investment Units

Tokyo, May 13, 2010 — MORI TRUST Sogo Reit, Inc. (MTR) announces that, with respect to the issuance of new investment units through public offering and second offering of investment units, the following details were resolved at the meeting of the Board of Management held today:

1. Issuance of New Investment Units through Public Offering

- (1) Number of new investment units to be offered: 60,000 units

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(including 36,000 new investment units to be offered in Japan and 24,000 new investment units to be offered overseas)

A portion of the abovementioned new investment units (which shall constitute less than 50% of the aggregate issue value of the new investment units to be issued) may be sold to foreign investors in overseas markets mainly in Europe and Asia (excluding the U.S. and Canada; hereinafter, "Overseas Sales"). The number of new investment units related to Overseas Sales is to be 24,000 units. The number of new investment units related to Overseas Sales shall be determined on the "Issue Price Determination Date" provided in (2) below in consideration of the degree of demand and other conditions.

(2) Amount of payment (issue value):

To be determined

The amount of payment shall be determined at the meeting of the Board of Management to be held on any date between Monday, May 24, 2010 and Wednesday, May 26, 2010 (hereinafter, "Issue Price Determination Date"). The amount of payment (issue value) shall be the amount received by MTR from the "Underwriters" provided in (5) below as the amount of payment per unit of investment units of MTR (hereinafter, "Investment Units of MTR").

(3) Aggregate amount of payment (issue value):

To be determined

(4) Issue price (offering price):

To be determined

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- (5) Offering method
- The offering method shall be by public offering where all investment units are to be undertaken and purchased by an underwriting syndicate whose joint lead managers are Mizuho Securities Co., Ltd., Nikko Cordial Securities Inc. and Goldman Sachs Japan Co. Ltd. (hereinafter, “Joint Lead Managers”) as well as Nomura Securities Co., Ltd. and Mitsubishi UFJ Morgan Stanley Securities Co., Ltd. (hereinafter referred to collectively with Joint Lead Managers as “Underwriters”).
- The issue price (offering price) shall be determined in consideration of the degree of demand and other conditions based on a tentative pricing terms obtained by multiplying the closing price of the Investment Units of MTR at the Tokyo Stock Exchange, Inc. (hereinafter, “Tokyo Stock Exchange”) on the Issue Price Determination Date (if no closing price is available for that date, the nearest preceding closing price will be used) by a number between 0.90 to 1.00 (any fractions less than 1 yen shall be rounded down).
- (6) Details of underwriting contract:
- The Underwriters shall underwrite and purchase Investment Units of MTR at the amount of payment (issue value) to be determined on the Issue Price Determination Date and offer them at a price (issue price (offering price)) that differs from the aforementioned corresponding amount of payment (issue value). The Underwriters shall pay the Aggregate amount of payment (issue value) to MTR on the closing date and the difference between the total issue price (offering price) and the aggregate amount of payment (issue value) shall be retained by the Underwriters. MTR shall pay no underwriting commission to the Underwriters.
- (7) Demand identification (book building) period: From Wednesday, May 19, 2010 to the Issue Price Determination Date
- (8) Application unit: 1 investment unit or more in whole units
- (9) Application period: From Thursday, May 27, 2010 to Friday, May 28, 2010
- The above application period may be moved up in consideration of the degree of demand and other conditions. The latest application period may be moved up is from Tuesday, May 25, 2010 to Wednesday, May 26, 2010.

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- (10) Closing date: Wednesday, June 2, 2010
The above closing date may be moved up in consideration of the degree of demand and other conditions. The latest the closing date may be moved up is Monday, May 31, 2010.
- (11) The amount of payment (issue value), the issue price (offering price) and any other matters necessary for this issuance of new investment units shall be determined at a future meeting of the Board of Management. However, any changes, etc. prior to formal determination shall be left entirely to the Executive Director.
- (12) Each item mentioned above is contingent upon the filing pursuant to the Financial Instruments and Exchange Act taking effect.

2. Second Offering of Investment Units (Second Offering by Overallotment)

- (1) Offerer and number of investment units to be offered: Mizuho Securities Co., Ltd.: 5,000 units
The secondary offering by overallotment, separately from the public offering, shall be made by Mizuho Securities Co., Ltd. for up to 5000 units of Investment Units of MTR, which shall be borrowed from Mori Trust Co., Ltd., an investor of MTR, in consideration of the degree of demand and other conditions at the time of the public offering. Therefore, the number of investment units to be offered stated above is the maximum number of investment units to be offered by overallotment and, depending on the degree of demand and other conditions, such number may decrease, or the secondary offering by overallotment itself may be cancelled.
- (2) Offer price: To be determined
It shall be determined on the Issue Price Determination Date. The offer price shall be the same as the issue price (offering price) for the public offering.
- (3) Aggregate offer value: To be determined
- (4) Offering method: In consideration of the degree of demand and other conditions at the time of the public offering, separately from the public offering, a secondary offering by overallotment shall be made by Mizuho Securities Co., Ltd. for up to 5000 units of Investment Units of MTR, which shall be borrowed from Mori Trust Co., Ltd., an investor of MTR.
- (5) Application period: Same as the application period in the public offering
- (6) Delivery date: The business day immediately following the closing date in the public offering
- (7) Application unit: 1 investment unit or more in whole units

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- (8) The offer price and any other matters necessary for this issuance of new investment units shall be determined at a future meeting of the Board of Management. However, any changes, etc. prior to formal determination shall be left entirely to the Executive Director.
- (9) Each item mentioned above is contingent upon the filing pursuant to the Financial Instruments and Exchange Act taking effect.

<Reference>

1. Second Offering of Investment Units by Overallotment, etc.

- (1) In consideration of the degree of demand and other conditions at the time of the public offering, a secondary offering (by overallotment) may be made separately from the public offering by Mizuho Securities Co., Ltd. for up to 5000 units of Investment Units of MTR, which shall be borrowed from Mori Trust Co., Ltd., an investor of MTR. However, the borrowing investment units offered shall be contingent upon their sale to Mori Trust Co., Ltd. as provided in “5. Designation of distributee.” Although the number of investment units to be offered by overallotment is 5,000 units, this is the maximum number of investment units to be offered and, depending on the degree of demand and other conditions, such number may decrease, or the secondary offering by overallotment itself may be cancelled.

Regarding the secondary offering by overallotment, Mizuho Securities Co., Ltd. is granted the right to purchase additional Investment Units of MTR from Mori Trust Co., Ltd. up to the maximum number set for the secondary offering by overallotment at the same price as the issue value of the public offering to return the Borrowed Investment Units (hereinafter, “Green Shoe Option”), by the investors of MTR over an exercise period beginning on the date immediately following the last day of the application period of the public offering and secondary offering by overallotment and ending on Friday, June 25, 2010.

Furthermore, Mizuho Securities Co., Ltd. may also purchase Investment Units of MTR on the Tokyo Stock Exchange up to the number of Investment Units of MTR to be offered by overallotment (hereinafter, “Syndicate Cover Transactions”) to return the Borrowed Investment Units. All Investment Units of MTR purchased through Syndicate Cover Transactions shall be used to return the Borrowed Investment Units. Such Syndicate Cover Transactions would be made during the period beginning on the date immediately following the last day of the application period of the public offering and secondary offering by overallotment and ending on Friday, June 25, 2010 (hereinafter, the “Syndicate Cover Transaction Period”). All the Investment Units of MTR purchased by Mizuho Securities Co., Ltd. by Syndicate Cover Transactions are allocated for the return of the Borrowed Investment Units. During the Syndicate Cover Transaction Period, Mizuho Securities Co., Ltd. at its discretion may not conduct any Syndicate Cover

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Transactions or may terminate any Syndicate Cover Transactions before the number of investment units purchased reaches the number of investment units of the secondary offering by overallotment.

In addition, Mizuho Securities Co., Ltd. may conduct stabilizing operations as it conducts the public offering and the secondary offering by overallotment. The Investment Units of MTR purchased through such stabilizing operations may be used, in whole or in part, to return the Borrowed Investment Units.

Regarding the number of investment units remaining after subtracting the number purchased through stabilizing operations and Syndicate Cover Transactions and the number used to return the Borrowed Investment Units from the number of investment units to be offered by overallotment, Mizuho Securities Co., Ltd. shall exercise the Green Shoe Option to acquire the Investment Units of MTR. Whether or not the secondary offering by overallotment is to be made and the number of investment units to be offered shall be determined on the Issue Price Determination Date. If a secondary offering by overallotment is not made, Mizuho Securities Co., Ltd. shall not borrow Investment Units of MTR from the investor of MTR and Mizuho Securities Co., Ltd. shall not exercise the Green Shoe Option. Also, no Syndicate Cover Transactions shall be made on the Tokyo Stock Exchange.

- (2) The transactions stated in (1) above shall be made by Mizuho Securities Co., Ltd. in consultation with Nikko Cordial Securities Inc. and Goldman Sachs Japan Co. Ltd.

2. Changes in the number of issued investment units after the issuance of new investment units

Existing number of issued investment units:	182,000 units
Increase in number of outstanding investment units by public offering:	60,000 units
Total number of units after the public offering:	242,000 units

3. Purpose and reason for issuance

The issuance of New Investment Units was decided as a result of examining market trends, cash dividends, among others, and effected to allocate funds to repay part of the borrowings relating to specified assets newly acquired for external growth, lower the LTV (loan-to-value ratio) and ensure financial soundness.

4. Amount of fund to be procured and its use and scheduled expenditure

- (1) Amount of fund to be procured (an estimate for proceeds after deductions)

42.2 billion yen

(Note) Sum of 25.3 billion yen in net proceeds from the public offering within Japan (hereinafter, "Domestic Public Offering") and 16.9 billion yen from Overseas Sales.

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(Note) The above amount is an estimate calculated based on the closing price at the Tokyo Stock Exchange on Tuesday, April 27, 2010.

(2) Specific use and scheduled expenditure of the procured fund

The procured funds shall be allocated to repay 40.0 billion yen, which is due in June 2010, of the borrowings for the acquisition of Tokyo Shiodome Building during the 17th period. Please note that any balance remaining shall be allocated to repay part of other borrowings.

(Note) A summary of the acquisition of Tokyo Shiodome Building and borrowings therefor is available in the press release “Acquisition of Asset (Contract to Be Concluded) — Tokyo Shiodome Building” and “Notice of New Loans and Establishment of Commitment Line of Credit” released on April 8, 2010.

5. Designation of distributee

The Underwriters plan to sell 5,000 units of Investment Units of MTR in connection with the public offering to Mori Trust Co., Ltd., the parent company of MORI TRUST Asset Management Co., Ltd., MTR’s asset management company.

6. Future prospect

Future prospect is stated in the press release “Notice of Performance Forecasts for Fiscal Period Ending September 30, 2010 and Fiscal Period Ending March 31, 2011” released today.

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7. Performance in the three most recent fiscal periods and equity finance situations

(1) Performance in the three most recent fiscal periods

	Fiscal period ended March 31, 2009	Fiscal period ended September 30, 2009	Fiscal period ended March 31, 2010 (unaudited)
Net income per unit (yen) (Note 1)	22,962	22,671	20,005
Dividend per investment unit (Yen)	22,962	22,672	20,006
Actual dividend ratio (%) (Note 2)	100.0	100.0	100.0
Net asset per unit (yen)	559,226	558,936	556,270

(Note 1) Net income per unit is calculated by dividing net income by the weighted average number of investment units over the number of days in the period.

(Note 2) Actual dividend ratio = Total dividend / Net income * 100

(2) Recent investment unit prices

1) Performance in the three most recent fiscal periods

	Fiscal period ended March 31, 2009	Fiscal period ended September 30, 2009	Fiscal period ended March 31, 2010
Opening price	816,000 yen	709,000 yen	720,000 yen
Highest price	886,000 yen	770,000 yen	842,000 yen
Lowest price	572,000 yen	636,000 yen	646,000 yen
Closing price	703,000 yen	725,000 yen	820,000 yen

2) Performance in the most recent half-year period

	November 2009	December 2009	January 2010	February 2010	March 2010	April 2010
Opening price	694,000 yen	680,000 yen	747,000 yen	800,000 yen	784,000 yen	816,000 yen
Highest price	717,000 yen	750,000 yen	812,000 yen	815,000 yen	842,000 yen	839,000 yen
Lowest price	646,000 yen	680,000 yen	747,000 yen	743,000 yen	777,000 yen	729,000 yen
Closing price	684,000 yen	749,000 yen	801,000 yen	784,000 yen	820,000 yen	739,000 yen

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3) Investment unit price on the business day immediately prior to the day of the issuance resolution

	As of May 12, 2010
Opening price	708,000yen
Highest price	710,000yen
Lowest price	688,000yen
Closing price	691,000yen

(3) Equity finance situations in the three most recent fiscal periods

- Capital increase by way of public offering
Not applicable
- Capital increase by way of private placement

Issuance date	October 1, 2008
Amount of raised funds	17,600,000,000 yen
Issue value	800,000 yen per unit
Number of outstanding investment units at the time of offering	160,000 units
Number of outstanding investment units by abovementioned offering	22,000 units
Total number of outstanding investment units after offering	182,000 units
Allottee	Mori Trust Co., Ltd.
Initial use of funds at the time of issuance	Repayment of short-term borrowings made for the acquisition of the ON Building
Scheduled expenditure at the time of issuance	October 2008
Current status of allocation	The entire amount was allocated to repay part of the borrowings during the abovementioned planned payment period.

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8. Others (Restrictions on sale and additional issuance, etc.) 【SRS (for public offering) Part 1 - No. 4-2】

- (1) Mori Trust Co., Ltd. is an investor holding 70,000 units of Investment Units of MTR as of the date of this document and, as stated above in “5. Designation of distributee,” plans to acquire 5,000 units of Investment Units of MTR in connection with the public offering. However, the 70,000 units of Investment Units of MTR held by Mori Trust Co., Ltd. will be transferred to MORI TRUST Holdings, Inc., the parent company of said company, on the delivery date of the public offering. Mori Trust Co., Ltd. has agreed with the Joint Lead Managers that, regarding the public offering, it will not effectuate any transfer, etc. of Investment Units of MTR held as of the date of this document (70,000 units) and the Investment Units of MTR (5,000 units) to be acquired by public offering during the three-month period between the delivery date of the Investment Units of MTR relating to the public offering and the anniversary date, without the prior written consent of the Joint Lead Managers (however, excluding where offered Investment Units of MTR are lent to Mizuho Securities Co., Ltd. for the purpose of secondary offering by overallotment, where any transfer, etc. is effected on the basis of the exercise of the Green Shoe Option, where any transfer, etc. by Mori Trust Co., Ltd. is effected to Mori Trust Group (MORI TRUST Holdings, Inc., Mori Trust Co., Ltd. and consolidated subsidiaries of Mori Trust Co., Ltd.; the same shall apply hereinafter) under the condition that the latter commits to be subject to the same obligation as the restrictions regarding any transfer, etc. fulfilled by Mori Trust Co., Ltd., and where any security interest is set, etc. on Investment Units of MTR for Mori Trust Group).
- (2) MORI TRUST Holdings, Inc. plans to be transferred the 70,000 units of Investment Units of MTR held by Mori Trust Co., Ltd. on the delivery date of the public offering. MORI TRUST Holdings, Inc. has agreed with the Joint Lead Managers that, regarding the public offering, it will not effectuate any transfer, etc. of the 70,000 units of Investment Units of MTR during the three-month period between the delivery date of the Investment Units of MTR of the public offering and the anniversary date, without the prior written consent of the Joint Lead Managers (however, excluding where any transfer, etc. by MORI TRUST Holdings, Inc. is effected to Mori Trust Group under the condition that the latter commits to be subject to the same obligation as the restrictions regarding any transfer, etc. fulfilled by MORI TRUST Holdings, Inc., where any security interest is set, etc. on Investment Units of MTR for Mori Trust Group, and where any loan is effected to the Japan Securities Finance Co., Ltd.).
- (3) MTR has agreed with the Joint Lead Managers that, regarding the public offering, it will not effectuate any issuance, etc. of Investment Units of MTR during the three-month period between the delivery date of Investment Units of MTR relating to the public offering and the anniversary date, without the prior written

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consent of the Joint Lead Managers (however, excluding where Investment Units of MTR are issued on the basis of a split of investment units).

- (4) In the event of either (1) or (2) or (3) above, the Joint Lead Managers at their discretion have the right to dissolve said agreements in whole or in part during the restriction periods and/or to shorten the restriction periods.

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