

Press Release

Issuer of Real Estate Investment Trust Securities

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Sale of Part of Asset (Contract to Be Concluded) –Frespo Inage

Tokyo, February 20, 2012 – MORI TRUST Sogo Reit, Inc. (MTR) announced that, following the conclusion of a basic agreement and consultations with Daiwa Lease Co., Ltd. (“Daiwa Lease”), the tenant of Frespo Inage (land in trust referred to as “the Property”) owned by MTR, on the sale of part of the Property, etc. as announced in the November 14, 2011 press release “Conclusion of Basic Agreement (Sale of Part of Frespo Inage, etc.),” MTR and Daiwa Lease have come to an agreement, and MTR has made a decision on the sale of part of the asset (or conclusion of a real estate sales agreement). Details are as follows.

The lawsuit to demand rent reduction (with the fiduciary as the defendant) concerning the Property, filed as of September 18, 2009, will be dropped (in March 2012) after the sale of the Property.

1. Sale Summary (Plan)

- | | |
|--|--|
| (1) Type of asset | : real estate (50% of the Property) (Note1) |
| (2) Property name | : Frespo Inage |
| (3) Sale price | : 2,450 million yen (excluding taxes) |
| (4) Book value | : 2,193 million yen (at the end of the term ended September 2011)
(Note2) |
| (5) Difference between (3) transfer price and (4) book value | : 256 million yen (Note3) |
| (6) Planned contract date | : February 29, 2012 |
| (7) Planned closing date | : February 29, 2012 |
| (8) Buyer | : Daiwa Lease (see 4., Buyer Overview, below) |
| (9) Settlement method | : payment in full at the time of sale |

(Note 1) It is the trust beneficiary right of real estate which is owned by MTR and, in the sale, the fiduciary

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will sell the land to the buyer.

(Note 2) Value equal to 50% of the book value of the Property

(Note 3) Difference are rounded down to the nearest million yen.

2. Reason for Sale

MTR made a decision on the sale after coming to an agreement with the Buyer in accordance with the basic agreement announced in the November 14, 2011 press release “Conclusion of Basic Agreement (Sale of Part of Frespo Inage, etc.).

3. Sale Details

Asset overview

Location	Land	731-17 Naganumahara-Cho, Inage-Ku, Chiba City 236-10 Roppo-Cho, Inage-Ku, Chiba City
	Building	—
	Address	—
Real estate usage		Land for commercial facilities
Ownership	Land	Title
	Building	—
Area	Land	39,556.71 m ² (registered land area)
	Building	—
Acquisition date		March 28, 2002
Acquisition price		2,100 million yen (Note 1)
Appraisal value of the real estate		2,410 million yen (appraisal date: February 1, 2012) 2,420 million yen according to the direct capitalization method (9.3% capitalization rate) 2,390 million yen according to the discounted cash flow method (8.4% discount rate, no fixed terminal capitalization rate)
Appraisal agency		Japan Real Estate Institute
Collateral		None
Details of tenants		
Number of tenants		1
Revenue in real estate rental		117 million yen (Note 2)
Deposit		240 million yen (Note 3)
Total rent area		39,556.71 m ²
Total rentable area		39,556.71 m ²
Occupancy rate		100.0% (as of September 30, 2011)

(Note 1) Price equal to 50% of 4,200 million yen, which is the acquisition price of whole property

(Note 2) Amount equal to 50% of actual revenue from whole property in the period ended September 2011 (period from April 1, 2011 to September 30, 2011)

(Note 3) Amount equal to 50% of deposit for whole property

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4. Buyer Overview

(1) Business name	Daiwa Lease Co., Ltd.
(2) Headquarters	2-1-36 Noninbashi, Chuo -ku, Osaka City
(3) Representative	Shunsaku Morita, President & Representative Director
(4) Capital	21,768 million yen (as of July 1, 2011)
(5) Principal businesses	Development, management of retail facilities and other commercial facilities
(6) Relationships with MTR and the Asset Management Company	
Capital relationship	None
Personnel relationship	None
Business relationship	Concluded agreement establishing land lease right for business purposes with MTR
Related party status	None

5. Operating Forecasts

The operating forecasts announced on November 14, 2011 already reflect the impact of the sale.

6. Others

The land still owned by MTR after the sale will continue to be leased to Daiwa lease at the revised monthly land rent of 20,646,000 yen (50% of current land rent plus 1,000,000 yen) effective from March 1, 2012.

Attachment

Reference 1 Portfolio after transfer of part of the Property

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Portfolio after transfer of part of the Property

Area	Usage	Property Code	Property Name	Acquisition Date	Acquisition Price (Note 2) (Million yen)	% of Total	
Central Tokyo	Office Buildings	A-2	Ginza MTR Building	2003.3.31	16,000	5.7%	
		A-3	Mita MT Building	2003.12.1	16,000	5.7%	
		A-6	Osaki MT Building	2005.3.31	7,870	2.8%	
				2005.10.28	5,656	2.0%	
		Total			13,526	4.8%	
		A-8	ON Building	2008.8.29	39,900	14.2%	
	A-9	Tokyo Shiodome Building	2010.4.13 (Planned)	110,000	39.2%		
	Subtotal					195,426	69.6%
	Retail Facilities	B-4	Shinbashi Ekimae MTR Building	2007.4.25	18,000	6.4%	
	Subtotal					18,000	6.4%
	Other (Residential property)	C-1	Park Lane Plaza	2004.12.24	3,200	1.1%	
Subtotal					3,200	1.1%	
Subtotal					216,626	77.1%	
Other	Office Buildings	A-4	Marubeni Osaka Headquarters Building	2002.9.30	12,500	4.5%	
		A-5	Shin-Yokohama TECH Building	2003.11.14	6,900	2.5%	
	Subtotal					19,400	6.9%
	Retail Facilities	B-1	Ito-Yokado Shonandai	2003.3.28	11,600	4.1%	
		B-2	Frespo Inage (Note 1)	2002.3.28	2,100	0.8%	
		B-3	Ito-Yokado Shin-Urayasu	2004.7.30	12,150	4.3%	
	Subtotal					25,850	9.2%
	Other (Hotels)	C-2	Hotel Okura Kobe	2006.9.20	19,000	6.8%	
Subtotal					19,000	6.8%	
Subtotal					64,250	22.9%	
Total					280,876	100.0%	

(Note 1) Planning sale of part of property, effective February 29, 2012. Acquisition price of the property is price equal to 50% of 4,200 million yen, which is the acquisition price of the whole property.

(Note 2) Acquisition prices are rounded down to the nearest million yen.

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