

Press Release

Issuer of Real Estate Investment Trust Securities

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Conclusion of Lease Agreement for Property

Tokyo, April 10, 2013 – Mori Trust Sogo Reit, Inc. (MTR) has announced that it has concluded a fixed-term building lease agreement (hereinafter “the Agreement”) with Mori Trust Co., Ltd., which falls under related parties of the Asset Management Company (hereinafter “the Related Parties”) provided for in the Act on Investment Trusts and Investment Corporations (hereinafter “the Investment Trusts Act”), for the Mita MT Building (hereinafter “the Property”). Details are as follows:

1. Agreement Summary

The Agreement is a master lease agreement, under which MTR leases the entire Property to the Lessee, which sublets the Property to sublessees. The Agreement is summarized below.

Agreement Overview

Type of contract	Fixed-term building lease agreement
Duration of lease	From April 10, 2013 to March 31, 2016
Monthly rent	Linked to rent of sublease agreements (See Note 1)
Deposit	Linked to deposit of sublease agreements (See Note 1)
Rent area	21,043.02m ² (See Note 2)

(Note 1) Sublease agreements are lease agreements between the Lessee and sublessees.

(Note 2) Rent area includes the area that is currently leased to tenants by MTR and scheduled to be included in the scope of the Agreement after gaining approval from the tenants.

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Lessee (Interested Person, etc.) Overview

(1) Business name	Mori Trust Co., Ltd.
(2) Headquarters	2-3-17 Toranomon, Minato-ku, Tokyo
(3) Representative	President and Chief Executive Officer, Akira Mori
(4) Capital	10,000 million yen
(5) Principal businesses	Real estate development, hotel management and investment
(6) Relationship with MTR and the Asset Management Company	The Lessee is the parent company of the Asset Management Company and, besides falling under the parent corporation of the Asset Management Company provided for in the Financial Instruments and Exchange Act, also falls under the Related Parties of the Asset Management Company provided for in the Investment Trusts Act.

2. Transaction with the Related Parties

(1) As the transaction concerning the Property (the lease of the Property) falls under a transaction with the Related Parties, the Asset Management Company has gone through the appropriate procedure to execute the transaction, including prior approval of MTR's board of directors, under the Regulations on Transactions with Related Parties.

(2) The circumstances that led to MTR's concluding the Agreement with the Related Parties are explained below. The Agreement adopts an arrangement under which the rent (hereinafter "the Master Lease Rent") is linked to the rent received by the Lessee from sublessees (hereinafter "the Sublease Rent"), but it also states that MTR shall receive certain amount of the rent even when the Property is unoccupied. The Agreement also states that property management fees and utilities pertaining to the Property shall be borne by the Lessee.

The tenant that had been renting the entire office area vacated the Property at the end of November 2012 and, following interior renovation of the common areas, the Asset Management Company has been continuously trying to secure a tenant, but to date no contract has been signed. Under such circumstances, the Agreement will make it possible for MTR to reduce operating costs and receive a portion of the rent for any unoccupied areas, bolstering income during unoccupied periods or periods of low occupancy. The Agreement will also make it possible for MTR to benefit to an extent from any upturn in office market conditions, as the rent is linked to the Sublease Rent.

Mori Trust Co., Ltd., which is the Lessee under the Agreement, owns and operates many large buildings in central Tokyo and, having consistently managed and operated the Property well via its group company since its acquisition by MTR, can be expected to draw on this experience in its management and operation of the Property. MTR decided to conclude the Agreement after comprehensively assessing the circumstances outlined above and the contract terms and conditions.

3. Outlook

For details of MTR's performance forecast for the period ending September 30, 2013 (from April 1, 2013 to September 30, 2013) assuming that the space vacated by the tenant that had rented the entire office area remains unoccupied, please refer to the "[Notice of Performance Forecast for Fiscal Period Ending September 30, 2013](#)" released April 10, 2013.

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