

Acquisition of Asset (Contract to Be Concluded) — Tokyo Shiodome Building
Sale of Asset (Contract to Be Concluded) — Akasaka-Mitsuke MT Building
Notice of New Loans and Establishment of Commitment Line of Credit
Supplementary Information

April 8, 2010



MORI TRUST Sogo Reit, Inc.
MORI TRUST Asset Management Co., Ltd.

Improving Portfolio Quality through Asset Replacement

Acquisition of Tokyo Shiodome Building and Sale of Akasaka-Mitsuke MT Building



Tokyo Shiodome Building

Acquisition of Tokyo Shiodome Building

- Acquisition price: 110 billion yen (appraised price: 111.5 billion yen)
- Planned acquisition date: April 13, 2010
- Large, relatively new mixed-use building (offices, a hotel, and retails) furnished to high specifications in a good location
- Introduction of master lessee agreements (Mori Trust)

Effects of the asset replacement

- ◆ Acquiring a large, competitive property and expanding the asset size
 Asset value (total acquisition value) after asset replacement:
 282.9 billion yen
- ◆ Improving the average age in the portfolio
 About 22 years before the acquisition and sale
 → About 14 years after the acquisition and sale
- ◆ Achieving stable revenue in the long term
 (Offices and retail premises) 10-year master lease agreement
 (Hotel) 25-year master lease agreement

MORI TRUST
Sogo Reit, Inc.

MORI TRUST

Akasaka-Mitsuke MT Building

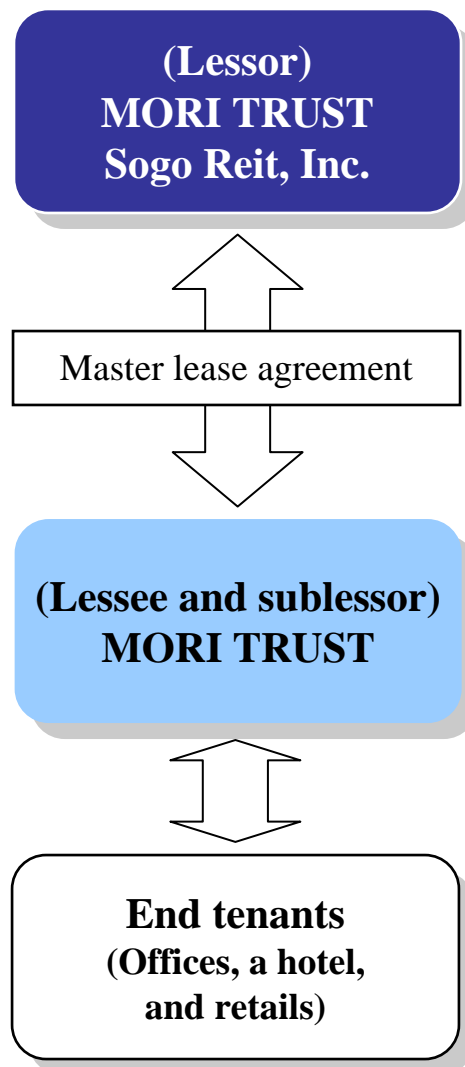


Sale of Akasaka-Mitsuke MT Building

- Sale price: 26.9 billion yen (appraised price: 23.3 billion yen)
- Book value: 26.7 billion yen (as of September 30, 2009)
- Planned closing date: April 13, 2010
- Completion date: February 1975 (35 years old)
- Forward-looking response to its old age

Tokyo Shiodome Building — Outline of Master Lease Agreement

Master lease agreement



Background and effects of the introduction of master lease agreements

➤ Background

Considering the effects of risks, including changes in rents from end tenants, tenants leasing, and risks related to the hotel, MORI TRUST Sogo Reit has introduced master lease agreements and aims to generate stable revenue over the medium and long terms.

➤ Effects

(1) Stable revenue through long-term, fixed rents under master lease agreements

(Offices and retails) 10-year master lease agreement

(Hotel) 25-year master lease agreement

(2) Efficient management

MORI TRUST will carry out tenant management and property management and will negotiate with the co-lessor, which will contribute to management efficiency.

Lease overview

Number of tenants	1 (Mori Trust Co., Ltd.)	
Contract type	(1) Fixed term building lease agreement (offices and retails) (2) Fixed term building lease agreement (hotel)	
Lease period	(1) April 13, 2010 to April 12, 2020 (2) April 13, 2010 to December 31, 2035	
Monthly rent (excluding consumption tax)	(1) 435 million yen (2) 30 million yen (from April 13, 2010 to April 12, 2020) 35 million yen (from April 13, 2020 to December 31, 2035)	
Security deposit	-	
Total rent area	95,697.03 m ²	
Total rentable area	95,697.03 m ² (Note 1)	
Occupancy rate	100%	
Assumptions for NOI (Note 2)	Revenues	5,590 million yen
	Expenses (excluding depreciation expense)	694 million yen
	NOI	4,895 million yen

(Note 1) The rentable area of the Property is the floor area of the whole building (191,394.06 m²) multiplied by MTR's co-ownership ratio (50/100).

(Note 2) Preconditions of assumptions for NOI

1. The above figure is the annual NOI and excludes special factors in the fiscal year of acquisition.
2. Revenue is calculated based on rent income generated assuming a 100% occupancy rate.
3. Expenses include taxes and public dues, and insurance premiums.

Financing Associated with Acquisition and Sale of Properties

Funds considered to be needed

Acquisition of Tokyo Shiodome Building	110 billion yen
Sale of Akasaka-Mitsuke MT Building	-26.9 billion yen
Costs accompanying acquisition and transfer	About 5 billion yen
Funds considered to be needed	About 88 billion yen

Loans associated with the transactions

	Lender	Loan payable (million yen)	Interest rate for borrowings		Drawdown date	Repayment date	Repayment method
Short-term loans	Mizuho Corporate Bank, Ltd.	20,000	To be determined	Floating	April 13, 2010	June 11, 2010	Bullet repayment on maturity Unsecured/ Non-guaranteed
	Sumitomo Mitsui Banking Corporation	20,000					
	The Bank of Tokyo-Mitsubishi UFJ, Ltd.	7,000				April 13, 2011	
	Mizuho Corporate Bank, Ltd.	5,000					
	Subtotal	52,000					
Long-term loans	Mitsubishi UFJ Trust and Banking Corporation	5,000	To be determined	Fixed	April 13, 2010	April 13, 2012	Bullet repayment on maturity Unsecured/ Non-guaranteed
	The Sumitomo Trust & Banking Corporation	4,000				April 12, 2013	
	Mizuho Corporate Bank, Ltd.	5,000				October 11, 2013	
	Sumitomo Mitsui Banking Corporation	5,000				April 11, 2014	
	Sumitomo Mitsui Banking Corporation	5,000					
	Mizuho Corporate Bank, Ltd.	4,000					
	Aozora Bank, Ltd.	1,000					
	Sumitomo Mitsui Banking Corporation	5,000					
	Development Bank of Japan Inc.	2,000					
	Subtotal	36,000					
	Total	88,000					

Outlook

Mori Trust Sogo Reit aims to hold down the ratio of loan to value (“LTV”) to no more than 50% (“Standard Value”). LTV at the end of the 15th term was 43.5%, but LTV is expected to exceed the Standard Value after taking out loans in association with the acquisition and transfer of assets. (Exceeding the Standard Value temporarily in association with the acquisition of assets, as is the case this time, is permissible.) We are reviewing the financial plan so that we will reduce LTV to a level not more than the Standard Value.

Outline of Tokyo Shiodome Building

Features of the area

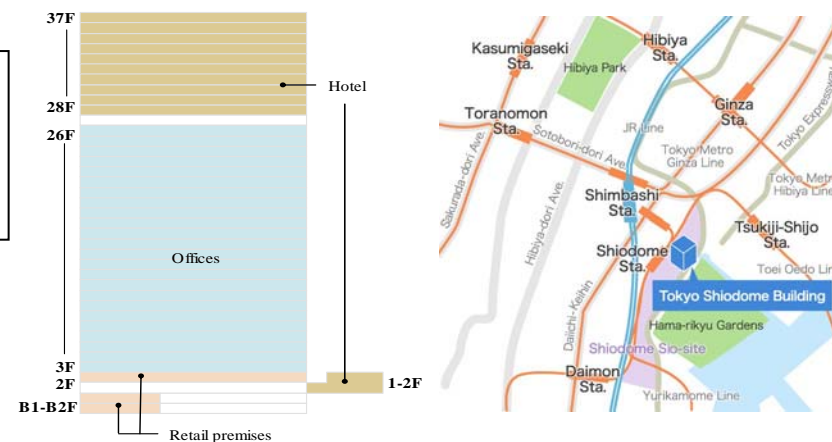
- The Shiodome district, where the property is located, is close to the government offices west of Shinbashi, and Ginza.
- The property is situated in a 31ha redevelopment district, where businesses are concentrated.
- The property is in an outstanding location that faces the Hamarikyu Onshi Teien park and Tokyo Bay and has a spectacular view and is easily recognizable from a distance.

Outline of the property

Location (address)		1-9-1 Higashi-Shinbashi, Minato-ku, Tokyo
Real estate usage		Office, hotel, retail facilities
Ownership	Land	Quasi-joint ownership (50:50)
	Building	Joint ownership (50:50)
Area	Land	17,847 m ² (Area for the entire building lot)
	Building	191,394.06 m ² (Floor area for the entire building)
Construction		Steel-framed reinforced concrete, reinforced concrete, steel frame, 37 floors above ground, four floors below ground
Completion date		January 2005
Acquisition price		110 billion yen
Appraisal value		111.5 billion yen (appraisal date: March 31, 2010)
Planned contract date		April 9, 2010
Planned acquisition date		April 13, 2010
Seller		Mori Trust Co., Ltd.

Facilities specification

Rentable space on the typical floor	3,579 m ²
Ceiling height	2,800 mm
Free-access floors	100 mm
Floor load	500 kg/m ²
Electric capacity	60 VA/m ²
H.V.A.C.	Individual air-conditioning units
Security system	Around-the-clock manned monitoring, automatic security, and ID card entrance management systems
Other	Seismic control and vibration control system, backup power generator



Disclaimer:

This English language document is provided as a service and is not intended to be an official statement.

Should a discrepancy be found, the Japanese original will always govern the meaning and interpretation.