Translation of Japanese Original

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For Immediate Release

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Notice Concerning Issuance of New Investment Units and Secondary Distribution of Investment Units

Takara Leben Real Estate Investment Corporation (the "Investment Corporation") announces that a resolution was passed at the meeting of the Board of Directors held on June 25, 2018, regarding the issuance of new investment units and the secondary distribution of investment units to be conducted upon the listing of the investment units of the Investment Corporation ("Investment Units") on the Tokyo Stock Exchange, Inc. ("TSE") as follows.

1. Issuance of new Investment Units through Public Offering

(1) Number of Investment Units to be offered

344,000 units

(2) Amount to be paid (issue amount)

To be determined

The amount to be paid (issue amount) shall be determined at the Board of Directors meeting to be held on July 19, 2018 (Thursday) ("Issue Price Determination Date").

(3) Total amount to be paid (total issue amount)

To be determined

(4) Issue price (offer price)

To be determined

The issue price (offer price) shall be determined on the Issue Price Determination Date through the book-building method (the method of determining the issue price, by presenting to investors the indicative price range pertaining to the issue price at the time of solicitation of applications for acquisition of Investment Units and taking into consideration such factors as the status of investor demand pertaining to the Investment Units) as provided in Rule 1210 of the Enforcement Rules for Securities Listing Regulations set forth by the TSE.

(5) Total amount of issue price (total offer price)

To be determined

(6) Offering method

The method shall be an offering in Japan and overseas simultaneously. (The global coordinator of the Domestic Primary Offering, the International Offering and the Secondary Offering through Over-Allotment noted in 2. below shall be SMBC Nikko Securities Inc.)

a. Domestic Primary Offering

The offering in Japan (the "Domestic Primary Offering") shall be a primary offering in which all Investment Units subject to the Domestic Primary Offering shall be purchased and underwritten by SMBC Nikko Securities Inc. and Mizuho Securities Co., Ltd. (collectively referred to as the "Domestic Joint Lead Managers"), and Nomura Securities Co., Ltd. (together with the Domestic Joint Lead Managers, collectively referred to as the "Domestic Underwriters"). Further, SMBC Nikko Securities Inc. is a sole Book-runner of Domestic Primary Offering.

b. International Offering

The offering overseas (the "International Offering" and, together with the Domestic Primary Offering, collectively referred to as "this Offering") shall be an offering in international markets mainly in Europe and Asia (excluding the U.S. and Canada) , and all Investment Units subject to the International Offering shall be purchased and underwritten in the total amount by SMBC Nikko Capital Markets Limited (the "International Underwriter" and together with the Domestic Underwriters as the "Underwriters").

c. The allocation of Investment Units offered under a. and b. above is expected to be 253,750 units and 90,250 units, respectively (344,000 units in total), but the final breakdown will be determined on the Issue Price Determination Date, taking into consideration the status of demand and other factors.

(7) Details of underwriting agreement

The Underwriters shall pay to the Investment Corporation the total amount to be paid (total issue amount) for this Offering on the payment date stated below under (11), and the difference between the total amount to be paid (total issue amount) and the total amount of issue price (total offer price) shall be the retained by the Underwriters. The Investment Corporation shall not pay any underwriting fee to the Underwriters.

(8) Book-building period

From July 11, 2018 (Wednesday) to July 18, 2018 (Wednesday)

(9) Units for application

One unit or more in multiples of one

(10) Application period (Domestic Primary Offering)

From July 20, 2018 (Friday) to July 25, 2018 (Wednesday)

(11) Payment date

July 26, 2018 (Thursday)

(12) Delivery date

July 27, 2018 (Friday)

(13) The amount to be paid (issue amount), the issue price (offer price) and other matters necessary for the issuance of new investment units will be determined at a future Board of Directors meeting of the Investment Corporation.

(14) Each of the provisions above is subject to the effectiveness of the Securities Registration Statement filed in accordance with the Financial Instruments and Exchange Act of Japan.

2. Secondary Distribution of Investment Units (Secondary Distribution through Over-Allotment) (Please see [Reference] 2. below)

(1) Number of units in the Secondary Distribution

17,000 units

The number of Investment Units in the Secondary Distribution shown above is the maximum number of Investment Units to be distributed in the Secondary Distribution through Over-Allotment by SMBC Nikko Securities Inc., the sole book-runner of the Domestic Primary Offering. It is possible that this number may decrease or the Secondary Distribution through Over-Allotment itself may not take place, depending on demand and other factors in the Domestic Primary Offering. The number of Investment Units in the Secondary Distribution will be determined at the Investment Corporation's Board of Directors meeting to be held on the Issue Price Determination Date, taking into consideration status of investor demand and other factors in the Domestic Primary Offering.

(2) Distributor

SMBC Nikko Securities Inc.

(3) Distribution price

To be determined

The distribution price shall be determined on the Issue Price Determination Date. The distribution price shall be the same as the issue price (offer price) in the Domestic Primary Offering.

(4) Total amount of distribution price

To be determined

(5) Distribution method

SMBC Nikko Securities Inc., the sole book-runner of the Domestic Primary Offering, shall conduct a Domestic Secondary Distribution of Investment Units to be borrowed from Takara Leben Co., Ltd., a shareholder of Takara PAG Real Estate Advisory Ltd. ("Asset Manager") which Investment Corporation is delegating its asset management, and PAG JREIT Co-Invest Limited, a shareholder of Asset Manager and an affiliate of PAG Real Estate Holding Limited, with 17,000 units as the maximum, taking into consideration status of investor demand and other factors. However, the borrowing shall be subject to the condition that the Investment Units will be sold to Takara Leben Co., Ltd. and PAG JREIT Co-Invest Limited in the Domestic Primary Offering as referred to below [Reference] 5.

(6) Units for application

One unit or more in multiples of one

(7) Application period

From July 20, 2018 (Friday) to July 25, 2018 (Wednesday)

(8) Delivery date

July 27, 2018 (Friday)

(9) The distribution price and other matters relating to the secondary distribution will be determined at future Board of Directors meeting of the Investment Corporation.

(10) Each provision above is subject to the effectiveness of the Securities Registration Statement filed in accordance with the Financial Instruments and Exchange Act of Japan.

[Reference]

1. The Investment Units are scheduled to be listed on the TSE on July 27, 2018 (Friday) ("Listing (Opening) Date").

2. About the Secondary Distribution through Over-Allotment, etc.

The Secondary Distribution through Over-Allotment is a secondary distribution in which SMBC Nikko Securities Inc., the sole book-runner of the Domestic Primary Offering, will conduct a domestic distribution for the Investment Units, which it will borrow from Takara Leben Co., Ltd. and PAG JREIT Co-Invest Limited up to a maximum of 17,000 units, taking into consideration status of investor demand and other factors in the Domestic Primary Offering. (This borrowing will be conditional upon Investment Units being sold to Takara Leben Co., Ltd. and PAG JREIT Co-Invest Limited in the Domestic Primary Offering as referred to below [Reference] 5.) The number of Investment Units allocated for the Secondary Distribution through Over-Allotment will be 17,000 units. This is the maximum number of units to be allocated, and there are cases where the number may decrease or the Secondary Distribution through Over-Allotment itself may not take place at all, depending on the status of investor demand and other factors of the Domestic Primary Offering.

In connection with the Secondary Distribution through Over-Allotment, SMBC Nikko Securities Inc. is granted by Takara Leben Co., Ltd. and PAG JREIT Co-Invest Limited a right to purchase additional Investment Units at the same price as the issue price up to the number of units for the Secondary Distribution through Over-Allotment (the "Greenshoe Option"), with an exercise period from Listing (Opening) Date to August 24, 2018 (Friday), in order for SMBC Nikko Securities Inc. to acquire the Investment Units necessary for return of the Investment Units it borrowed.

During the period from Listing (Opening) Date to Friday, August 24, 2018 (the "Syndicate Cover Transaction Period"), SMBC Nikko Securities Inc. may purchase the Investment Units on the TSE up to the number in the Secondary Distribution through Over-Allotment (the "Syndicate Cover Transaction") in order to return the borrowed Investment Units. All Investment Units purchased by SMBC Nikko Securities Inc. through the Syndicate Cover Transaction will be allocated to return the borrowed Investment Units. During the Syndicate Cover Transaction Period, SMBC Nikko Securities Inc. may determine that it will not execute the Syndicate Cover Transaction or that it will end the Syndicate Cover Transaction at a number of units that is less than the number of units offered in the Secondary Distribution through Over-Allotment.

Any borrowed Investment Units remaining after allocation of Investment Units acquired through the Syndicate Cover Transaction as described above shall be returned by exercise of the Greenshoe Option by SMBC Nikko Securities Inc.

3. Change in the number of Investment Units issued and outstanding as a result of the issuance of new investment units

Total number of Investment Units issued and outstanding at present:	1,500 units
Increase in number of Investment Units due to the issuance of new investment units through this Offering:	344,000 units
Total number of Investment Units issued and outstanding after the issuance of new investment units through this Offering:	345,500 units

4. Amount, use and schedule of expenditure of proceeds

(1) Amount of proceeds (estimated net proceeds)

34,400,000,000 yen (maximum)

(Note) This is the sum of 25,375,000,000 yen in proceeds from the Domestic Primary Offering and 9,025,000,000 yen in proceeds from the International Offering. The amounts above are the anticipated amounts as of today.

(2) Use and schedule of expenditure of proceeds

The proceeds from the Domestic Primary Offering and International Offering will be allocated partially to fund the acquisition of anticipated assets.

5. Allocation to designated purchasers

The Domestic Underwriters will sell the investment units to Takara Leben Co., Ltd., a shareholder of Asset Manager, PAG JREIT Co-Invest Limited, a shareholder of Asset Manager and an affiliate of PAG Real Estate Holding Limited, Leben Community Co., LTD., an affiliate of Takara Leben Co., Ltd. and Yamada Denki Co., Ltd. a shareholder of Asset Manager, respectively, the Investment Units in the number that will be the largest in the range not exceeding ¥1.8 billion, ¥1 billion ¥0.5 billion and ¥0.1 billion, respectively, in the Domestic Primary Offering. The details will be determined later.

6. Future outlook

Please see "Notice Concerning Forecasts of Financial Results for the Fiscal Periods Ending August 31, 2018, February 28, 2019 and August 31, 2019" released today.

7. Status of past equity financing

Date	Issuance amount (thousand yen)		Total number of investment units issued and outstanding (units)		Despription
	Added amout	Balance	Number of added units	Balance	
September11, 2017	150,000	150,000	150	150	Incorporation through private placement(1)
April 21, 2018	-	150,000	1,350	1,500	Unit split(2)

Notes:

(1) Upon our incorporation, we issued units at a purchase price of ¥1,000,000 per unit. PAG Investment Management Limited was a subscriber of investment units at the incorporation.

(2) We conducted a 10-for-1 unit split on April 21, 2018.

8. Restriction for sales, follow-on offerings and others (Lock-up)

(1) In connection with this Offering, the Investment Corporation plans to request Takara Leben Co., Ltd. and PAG JREIT Co-Invest Limited to agree with Global Coordinator and Domestic Joint Lead Managers to the effect that, without the prior written consent of Global Coordinator and Domestic Joint Lead Managers, no sale of the Investment Units acquired through Domestic Primary Offering (other than lending of the Investment Units in connection with the Secondary Offering through Over-Allotment) shall be conducted during the period beginning on the Issue Price Determination Date and ending on the date 180 days after the delivery date of the Investment Units.

Global Coordinator and Domestic Joint Lead Managers are expected to have the authority to cancel the agreement, in whole or in part, or shorten the lock-up period at their discretion.

(2) In connection with this Offering, PAG Investment Management Limited has entered into an agreement with Global Coordinator to the effect that, without the prior written consent of Global Coordinator, no sale of the Investment Units owned by PAG Investment Management Limited before the Domestic Primary Offering shall be conducted during the period beginning on the Issue Price Determination Date and ending on the date 180 days after the delivery date of the Investment Units.

Global Coordinator will have the authority to cancel the agreement, in whole or in part, or shorten the lock-up period at their discretion.

(3) In connection with this Offering, the Investment Corporation plans to request Leben Community Co., LTD. and Yamada Denki Co., Ltd. to agree with Global Coordinator and Domestic Joint Lead Managers to the effect that, without the prior written consent of Global Coordinator and Domestic Joint Lead Managers, no sale of the Investment Units acquired through Domestic Primary Offering shall be conducted during the period beginning on the Issue Price Determination Date and ending on the date 180 days after the delivery date of the Investment Units.

Global Coordinator and Domestic Joint Lead Managers are expected to have the authority to cancel the agreement, in whole or in part, or shorten the lock-up period at their discretion.

(4) In connection with this Offering, the Investment Corporation has entered into an agreement with Global Coordinator to the effect that, without the prior written consent of Global Coordinator, no issuance of the Investment Units (other than this Offering and new Investment Units issued through splits of investment units) shall be conducted during the period beginning on the Issue Price Determination Date and ending on the date 90 days after the delivery date of the Investment Units.

Global Coordinator will have the authority to cancel the agreement, in whole or in part, or shorten the lock-up period at their discretion.

The original Japanese version of this announcement is being distributed June 25, 2018 to the Kabuto Club, the Ministry of Land, Infrastructure, Transport and Tourism Press Club, and the Ministry of Land, Infrastructure, Transport and Tourism Construction Specialty Publication Press Club.
This notice is the English translation of the Japanese announcement on June 25, 2018. However, no assurance or

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