

Japan Retail Fund Investment Corporation (Tokyo Stock Exchange Company Code: 8953) News
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Japan Retail Fund Investment Corporation Acquires Ito-Yokado Yabashira Shopping Center in Yabashira, Chiba Prefecture

Japan Retail Fund Investment Corporation (TSE: 8953) announced today that it has acquired for 1,616 million yen the Ito-Yokado Yabashira Shopping Center, which contains 21,309 square meters of leaseable area and a structured parking deck with a capacity for approximately 360 automobiles. In October 2002, Ito-Yokado, which masterleases the entire property, completed at a cost of 400 million yen a substantial renovation and upgrade of this property, which was originally constructed in 1982.

According to Yuichi Hiromoto, President and Chief Executive Officer of Mitsubishi Corp.-UBS Realty Inc., Asset Manager for Japan Retail Fund, "Ito-Yokado Yabashira Shopping Center fits nicely into our acquisition strategy. First, the acquisition is accretive to our funds from operations. While this property has a shorter remaining lease life and is smaller than our shopping center acquisitions to date, this shopping center contains a number of attractive features, including a strategic location in front of two major train stations approximately 20 kilometers from the center of Tokyo, with approximately 530,000 people living within a five kilometer radius of the property. While we anticipate the evaluation of a lease renewal with Ito-Yokado upon expiration of the existing lease in October 2008, we are also aware of a number of alternative uses for this strategically located property, including alternative retail establishments other than its current use as a general merchandise store, as well as potential sale and conversion to an alternative property use by a potential property purchaser. Moreover, this property currently benefits from a rent to sales ratio of only 3.2%. This acquisition represents our fourth property in which we are pleased to have Ito-Yokado as lead tenant (Ito-Yokado, parent of Seven-Eleven, is currently rated AA by Standard & Poor's and Aa3 by Moody's)".

The acquisition was financed through a combination of cash on hand and the assumption of 450 million yen in non-interest bearing security deposits due upon lease termination in October 2008. Under the terms of the lease, the tenant is responsible for all operating expenses in connection with the operation of the property.

About JRF: Japan Retail Fund Investment Corporation ("JRF") is the third listed Japanese Real Estate Investment Trust and the first J-REIT to focus exclusively on retail properties. JRF currently owns ten properties containing approximately 409,400 square meters of leaseable space.

Investors Relations: For further information relating to this press release as well as the Fund and its Asset Manager, please feel free to contact Mr. Hidenori Asai, Deputy President and Head of Investor Relations at Mitsubishi Corp.-UBS Realty Inc., Asset Manager for Japan Retail Fund (Telephone Number: 81-3-3511-1692) or Alfred Liu, Chief Financial Officer (Telephone Number: 81-3-3511-1693).

Pictures of the Property

