

Japan Retail Fund Investment Corporation (Tokyo Stock Exchange Company Code: 8953)

News Release – January 14, 2004

Japan Retail Fund Investment Corporation To Acquire Aeon Higashiura Shopping Center in Aichi Prefecture

Japan Retail Fund Investment Corporation (TSE: 8953) announced today the planned acquisition of the Aeon Higashiura Shopping Center, scheduled to close on January 15, 2004, for 6.7 billion yen. This property was opened in July 2001 and has a leaseable floor area of 100,458 square meters, with a parking capacity of approximately 4,000 automobiles. Publicly-traded Aeon Mall masterleases the entire two-story property.

Yuichi Hiromoto, President and Chief Executive Officer of Mitsubishi Corp.-UBS Realty Inc., Asset Manager for Japan Retail Fund, stated that "Aeon Higashiura Shopping Center fits well into our acquisition strategy. We classify the acquisition of this shopping center as an "income-oriented" property acquisition, with an approximately 27-year long-term lease contract on the building, which corresponds with the approximately 27-year ground lease that masterlessor Aeon Mall holds on the land underlying this building from an unrelated third party. This property is located only 30 minutes by train from the center of Nagoya City (Japan's fifth largest city in terms of population) in Aichi Prefecture, which leads Japan's 47 prefectures in terms of the value of industrial shipments. The region has historically played an important role in the nation's industrial activity, including the evolution of new industrial technologies in Japan.

This shopping center is the largest in its region, with none of its type existing in its broad-based trade area where approximately 53,000 and 165,000 people live within a three and five kilometer radius, respectively, and 770,000 people live within a ten kilometer radius of the property. The sublease tenants include JUSCO, Megamart, Toys'R'Us, Sports Authority and Toho Cinema 9 (containing nine stadium-style seating theaters) and approximately 100 specialty stores. As the result of ongoing submarket residential developments, the Higashiura district experienced approximately 5% population growth over the past five years. Further, given the submarket's age distribution, it is worthy of note that the young family generation, i.e. baby-boomers in their twenties and thirties, are regarded as the main target customers for this property. Automobile access to this shopping center is facilitated by its strategic location around the intersection of a number of major national roads. It is anticipated that the property will continue to attract customer traffic from its broad-based surrounding areas.

This purchase represents our fourth property in which JUSCO is the lead tenant (Aeon, parent of Aeon Mall, is currently rated BBB+ by Standard & Poor's and Baa by Moody's)."

The inclusion of this property in the Fund's portfolio serves to further diversify our geographical weighting into the core Nagoya metropolitan area, a strategically important region of Japan. This acquisition will be financed through a combination of cash on hand and bank borrowings.

Property Information Summary:

Property Name	Aeon Higashiura Shopping Center
Location	62-1, Higashisakaemachi, Ogawaaza, Ohaza, Higashiuramachi, Chitagun, Aichi Prefecture
Land size	86,320.55 m ²
Total floor space	100,457.69 m ²
Leaseable area	100,457.69 m ²
Building summary	Four floors above ground. The first and second floors are used for sales activity, and the third and fourth floors for parking space.
Parking capacity	Approximately 4,000 automobiles
Major tenant	JUSCO, Megamart, Toys'R'Us, Sports Authority, Toho Cinema

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. Upon closing of this acquisition JRF will own fifteen properties containing approximately 612,000 square meters of leaseable space.

Investor 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).

Photographs of the Property

