

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

News Release – March 24, 2005

**Japan Retail Fund Investment Corporation to Acquire Interest in a
Special Purpose Company Conferring Preferential Right to Purchase Diamond City Tsurumi
Shopping Center In Tsurumi-ku, Osaka upon its Completion**

Japan Retail Fund Investment Corporation (TSE: 8953) announced today the planned acquisition, for 840 million yen, of a Tokumei-Kumiai (“TK”) interest in a Special Purpose Company that will contribute the equity funding for the development of the Diamond City Tsurumi Shopping Center in Tsurumi-ku, Osaka. A TK investment is an investment structure defined by the Japanese Commercial Law that can have certain tax advantages for investors. As part of the contemplated investment in the TK interest, Japan Retail Fund will also receive a preferential right, subject to certain conditions, to purchase the shopping center upon its completion. The acquisition of the TK interest is scheduled to take place on March 28, 2005. The construction of the property is scheduled to start in December 2005 and is due to be completed in December 2006. It will be classified as an urban single-tenant retail property.

According to Yuichi Hiromoto, President and Chief Executive Officer of Mitsubishi Corp.-UBS Realty Inc., Asset Manager for Japan Retail Fund, “Diamond City Tsurumi Shopping Center in Osaka will fit well into our acquisition strategy, should we exercise the preferential right to acquire it upon completion. The property is expected to have a 15-year masterlease contract that would generate an attractive and stable income stream for our investors.” The property will be located within 7 kilometers of the center of Osaka and will be well served by several important transport routes, including a national highway and several main regional roads that bring in significant customer traffic. Moreover, because the property will be located midway between two train stations which are each about 400 meters away, a good flow of customers by rail can be expected. The population of Tsurumi-ku increased 5.0% from 1997 to 2002 and the number of households increased 10.1% in the same period. The population within the five-kilometer trade area of the development site was approximately one million in 2000.

The property will be anchored and masterleased by Diamond City, which will sublease space to JUSCO and other specialty stores. Diamond City, a majority of which is owned by Aeon and Mitsubishi Corporation, is a real estate company that focuses on the development and management of shopping centers. Diamond City is the property manager of ESPA Kawasaki and Abiko Shopping Plaza, two properties in our current portfolio. Diamond City is rated BBB by the Japan Credit Rating Agency.

The acquisition of the TK interest will be financed by internal financial resources.

Property Information Summary (based on current development plans):

Property name	Diamond City Tsurumi Shopping Center
Location	4-13 Tsurumi, Tsurumi-ku, Osaka
Land size	Approximately 57,000 m ²
Total floor space	Approximately 150,000 m ²
Building summary	Five floors above ground and one basement floor
Parking capacity	Approximately 2,640 automobiles
Major tenant	Diamond City

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. As of the date of this release, JRF owns 26 properties containing approximately 1,109,000 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 (Telephone Number: 81-3-3511-1692) or Mr. Shunichi Minami (Telephone Number: 81-3-3511-1721), Head of the Marketing & Investor Relations Department at Mitsubishi Corp.-UBS Realty Inc., Asset Manager for Japan Retail Fund.