

Rating Action: Japan Retail Fund Investment Corporation

Moody's assigns A2 rating to JRF'S Series 4 bonds

Tokyo, December 13, 2006 -- Moody's Investors Service has assigned its A2 unsecured senior debt rating to the proposed issue of Series 4 (Yen 20 billion, due 2011) Japan domestic bonds by Japan Retail Fund Investment Corporation (JRF). This is a takedown from JRF's Yen 300 billion domestic shelf registration of December 2004, which is provisionally rated (P)A2. The rating outlook is positive.

The rating reflects JRF's expected stable cash flow, based on its retail property portfolio, expected sourcing and management ability. The rating also incorporates that [1] JRF's portfolio has diversified in terms of volume as its external growth has progressed, and [2] during its growth phase, JRF has maintained a conservative financial policy in its efforts to de-lever through several public offerings.

Japan Retail Fund Investment Corporation, listed in March 2002, is a Japanese retail investment trust focusing on investment in and management of retail properties. JRF's asset management company, Mitsubishi Corp. - UBS Realty Inc., is 51% owned by Mitsubishi Corporation and 49% by UBS AG.

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