

Translation Purposes Only

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For Immediate Release

REIT Issuer

HEIWA REAL ESTATE REIT, Inc.

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(Securities Code: 8966)

Asset Management Company

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Notice Concerning the Change in Rating Outlook

HEIWA REAL ESTATE REIT, Inc. (the “Investment Corporation”) announced today that Rating and Investment Information, Inc. (“R&I”), from which the Investment Corporation has acquired a rating, announced a change in the Investment Corporation’s rating outlook (rating affirmed) as described below.

Details

1. Details of Change

	Before Change	After Change
Issuer Rating	BBB+	BBB+
Rating Outlook	Stable	Positive

2. Reason for the Revision

According to R&I, the change in the rating outlook reflects the positive evaluation of resumption of capital increase through new acquisition of high-income properties, sustained high occupancy rates of existing properties and significant improvement in debt composition and liabilities costs.

*For details, please refer to the R&I website (<http://www.r-i.co.jp/>)

3. Efforts of the Investment Corporation Going Forward

The Investment Corporation will continue to cooperate with Heiwa Real Estate Co, Ltd. and proactively further reinforce both business and financial positions while maintaining steady asset management.

* Distribution: Kabuto Club, Ministry of Land, Infrastructure, Transport and Tourism Press Club, and
Ministry of Land, Infrastructure, Transport and Tourism Press Club for Construction Publications

* Investment Corporation Website: <http://www.heiwa-re.co.jp/english/>